ETHICS OF DEMOCRACY

LOUIS F. POST

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ETHICS OF DEMOCRACY

Louis F. Post

ETHICS OF DEMOCRACY

A Series of Optimistic Essays
on the Natural Laws of
Human Society

SECOND EDITION

By

LOUIS F. POST

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TO THE MEMORY OF

HENRY GEORGE

PRECEPTOR AND FRIEND

a Philosopher who profoundly explored the principles of social life for very love of mankind, a Political Economist who scientifically traced economic laws to their roots in the moral law, a popular Leader who quailed before no moral wrong, a devoted Champion whose faith was grounded in moral right, a constructive Statesman who saw in the ethics of democracy the natural laws of human progress.

Association in equality is the law of progress. Association frees mental power for expenditure in improvement, and equality, or justice, or freedom—for the terms here signify the same thing, the recognition of the moral law—prevents the dissipation of this power in fruitless struggles. Here is the law of progress, which will explain all diversities, all advances, all halts, and retrogressions. — HENRY GEORGE, in *"Progress and Poverty,"* Ch. III. of Book X.

The law of human progress, what is it but the moral law? Just as social adjustments promote justice, just as they acknowledge the equality of right between man and man, just as they insure to each the perfect liberty which is bounded only by the equal liberty of every other, must civilization advance. Just as they fail in this, must advancing civilization come to a halt and recede. — *"Progress and Poverty,"* same chapter.

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Author's Note to Second Edition

NO very important alterations have been made for this edition. With the exception of several slight verbal changes, the correction of such typographical errors as have been discovered, and the addition of a foot note or two, the text of this edition is precisely the same as that of the first. I am glad, however, to avail myself of the opportunity which the putting forth of a new edition offers, to make grateful acknowledgments for suggestive hints and effective assistance both with reference to the book itself and to its circulation. Specific recognition is due to the Hon. Edward Osgood Brown, of Chicago, one of the judges of the Circuit Court of Illinois; to Mr. John Z. White, of Chicago, the Single Tax lecturer, and to Prof. James H. Dillard, of Tulane University, New Orleans, for their laborious and valuable aid in preparing the first edition for the press.

L. F. P.

Chicago, June 1, 1904.

INTRODUCTION

Fear, Craft and Avarice
Cannot rear a State.

—Emerson

It is certain that democracy annoys one part of the community, and that aristocracy oppresses another part.

—De Tocqueville's *"Democracy in America."*

There never was separate heart-beat in all the races of men.

—John Boyle O'Reilly.

Wherever man oppresses man
Beneath Thy liberal sun,
O God! be there Thine arm made bare,
Thy righteous will be done.

—John Hay.

INTRODUCTION—DEMOCRACY

"WHEN you are a-going to talk about democracy," said an observant Negro speaker in a political campaign in Texas, "you want to name the brand." It was a significant remark, and its importance is by no means limited to the exigencies of political campaigning in Texas. Democracy is everywhere a word of varied meaning. Some of its meanings, too, are as illegitimate as the Negro campaigner must have suspected.

Its verbal parentage is legitimately traced, of course, to two Greek words which signify respectively "the people" and "government." In the strict etymological sense, therefore, democracy means government by all the people governed. It stands out, in that sense, with contradistinctive emphasis against monarchy, which is government by one; against anarchy, which is government by none; and against aristocracy, which is government by a privileged few.

But the term has acquired numerous colloquial meanings, some of which retain hardly a family resemblance to its etymology. The particular concept, "government," often fades out of the word quite completely, while the broad general concept, "all the people," shrinks to a mere class significance. Democracy comes thus to be an allusion to the common life of the so-called "lower classes."

Of this species there are many varieties, and all are accepted by the multifarious grades of society as genuine democracy, though with different connotations in dif-

ferent social grades. In some grades the word stimulates; for there it is the shibboleth of the sturdy common people. Other classes are sickened by it; to them it connotes nauseous vulgarity.

One of the varieties of this species of democracy is distinguished for its concern with personal manners. Men are frequently called democratic merely because their manners are boorish, without the slightest reference to their convictions regarding either government or the people. Confirmed aristocrats, for instance, are described as democratic, because they occasionally knock about in their shirt sleeves as "hail-fellow-well-met," with temporarily agreeable groups of their social "inferiors." So the men they knock about with are accounted democrats, though for no other reason than that they are poor or uncouth or both. In this derivative sense, democracy is an illegitimate word.

No man is genuinely democratic merely because he associates upon terms of good fellowship with persons whom he regards as inferior—not even if he likes it. Neither are these associates of his democratic merely because they belong to an "inferior" social class. Furthermore, it is not genuine democracy to pattern after classes commonly accounted inferior, by imitating their modes of dress or other habits of life. Such affectations are in themselves no more democratic than is the life of those classes in itself. Democracy raises no question of class life, class habits, class manners, or class dress. Shirt sleeves do not make a democrat, nor does a dress suit make an aristocrat.

But let no one infer that democracy has nothing to do with personal behavior. Genuine manners, the manners that come from good feeling rather than from mere train-

ing, those especially that spring from a living faith in the essential equality of men—such manners are democratic in the truest possible sense.

In that sense of the word, all true gentlemen are democrats and all true democrats are gentlemen. The man of sterling democratic manners recoils from the patronizing spirit. Whatever he does for others is done simply as one of them—not as a benevolent boss but as a brother or neighbor; and whatever he receives from others he receives in the same respectful spirit of fraternal equality. He recoils, moreover, from trespassing upon the rights of any fellow man, as instinctively as he would resent a trespass upon his own rights.

His perception of rights may indeed be distorted. Familiar customs, class associations, misleading modes of thought, sham patriotism, may have produced in his mind fantastic effects. Inordinate cultivation of love for his own country, for instance, may have enveloped his thought in a provincialism that makes other countries seem more or less uncivilized. Or, he may have grown up in a slave community where he has learned to think of the rights of slaves as differing greatly from the rights of free men. He may, again, belong to a "superior" race group which inculcates the doctrine of inferior rights for men of "inferior" races. If a scion of aristocracy, he may have come to look upon the rights of the common people as subordinate to those of his own class. If a rich parvenu, he may differentiate between the rights of the rich and those of the poor. If a baffled poor man, he may invest the poor with rights that he would deny to the rich. There is nothing so subtly difficult as emancipating one's mind from the influence of one's habitual environment.

But let his perception of rights be never so strangely distorted, the democratic gentleman respects in others of all classes, all the rights that he perceives them to possess. Nor is that the whole of it. In this fraternal disposition of his there lies the germ of that perfect democracy which is expressed by the Golden Rule. It gradually pierces the crust of such class prejudices as he may have, and in good time blossoms out into unreserved recognition of natural rights universally equal. Genuine democracy of this personal species flourishes in all countries, among all classes, with all races, and in every condition of life.

As that species of democracy spreads and strengthens, it develops the governmental type, with which the present volume is most directly concerned. The word preserves in the latter use the full etymological sense of government by all the people governed, this type of democracy being the democracy of the American Declaration of Independence, which inculcates as a self-evident truth the principle that governments derive their just powers from the consent of the governed. But here also the word has connotations that break the confines of its etymology. It involves not only the idea of government by all the people governed, which implies an equal voice in the common counsels, but likewise the idea of government in recognition of and harmony with the principle of equal natural rights in all other respects. Even government by all is not democratic, when it makes discriminations as to persons or classes with reference to natural rights. On this point, too, the meaning of democracy is illumined by the Declaration of Independence. Not merely does government derive its just powers from the consent of the governed, as that American magna charta asserts;

but, as it also asserts, government can derive no powers that are unjust, even from the governed themselves. For governments, says this venerated document, are instituted for the sole purpose of securing natural rights. The same idea was expressed by Madison when advocating, in conjunction with Hamilton and Jay, the adoption of the Federal Constitution. In the 51st number of the Federalist, Madison wrote: "Justice is the end of government. It is the end of civil society. It ever has been, and ever will be pursued, until it be obtained, or until liberty be lost in the pursuit."

Sometimes those sentiments are ascribed, with an air of their being thus finally disposed of, to an "obsolete political philosophy of the eighteenth century." With materialistic scholars and cunning "grafters" this off-hand disposal of the subject has become, indeed, quite the fashion. But a moral law does not lose its virtues because the philosophy that emphasizes it is pronounced obsolete; and the moral law of equal human rights cannot be so easily set aside.

As was written a score of years ago, by the teacher* to whom these essays are dedicated: "There are those who, when it suits their purpose, say that there are no natural rights, but that all rights spring from the grant of the sovereign political power. It were waste of time to argue with such persons. There are some facts so obvious as to be beyond the necessity of argument. And one of these facts, attested by universal consciousness, is that there are rights as between man and man which existed before the formation of government, and which continue to exist in spite of the abuse of government; that there is a higher law than any human law—to wit,

* "*Social Problems*," by HENRY GEORGE. Ch. X.

the law of the Creator, impressed upon and revealed through nature, which is before and above human laws, and upon conformity to which all human laws must depend for their validity."

He who denies that conclusion may be an aristocrat or a monarchist, a socialist or an anarchist, an "anointed of the Lord" or a hooligan in the street, but, whether rich or poor, whether high born or low born, whether wise or simple, pious or profane, whatever his religious, economic or political professions or labels, such a man is not a democrat. The democratic idea as applied to government demands that equality of fundamental rights be recognized as a natural endowment to be protected as a public duty.

Such is the spirit of this volume. Its democracy is generic, not partisan. If at times it leans towards the Democratic party of American politics, that is only as the Democratic party is democratic. In so far as the Republican party is democratic, its sympathies are with that party also. The fact must not be forgotten that there is a strain of democracy in the history of both parties. Both sprang into being from a democratic impulse. Each has represented historic democratic movements. Even the democratic name would have been appropriated by the younger party but for its pre-appropriation by the older. That these two parties are branches of the same democratic trunk their history fully attests.

Half a century before the present Republican party was organized, Jefferson and his followers had called their party Republican. They were democrats, but "democrat" was as objectionable then as "anarchist" is now. For that reason the word served excellently as one of those verbal bludgeons which respectable mobs like

to hurl at those who do not agree with them. Such bludgeons bruise worse than brickbats, curiously enough, and it is safer to throw them. It is much easier, moreover, than argument, and far more effective with the mob—both the upper mob and the lower. So the Federalists sneered at the original Republicans as "democrats," and the offensive epithet stuck. As usual with offensive epithets that stick to good movements, it came later on to be adopted with honor as a substitute for the official name. Consequently, when the slave power had wrung most of the democracy out of the Democratic party, and a new democracy arose in the middle of the century, this new democracy could not appropriate the democratic name. It was already the cherished political trade-mark of what had degenerated into an amazingly undemocratic Democratic party. As the new democracy was thus prevented from adopting its most appropriate name, it did the next best thing. Having revived Jefferson's principles, it resurrected his party name and called itself Republican.

This democratic party of Lincoln, with the resurrected name of the old democratic party of Jefferson, made an enviable democratic record, somewhat mottled to be sure, and there are still within it sterling democratic elements. But, as with its predecessor of the anti-slavery period, its democratic elements have long been without influence in the leadership. Very much as the power of wealth rooted in a slavery system once absorbed the Democratic party and silenced the democracy within it, so has the power of even greater and more arrogant wealth, rooted in a complex system of special privilege and fostered by an industrial era of high tension, absorbed its Republican successor and silenced the democracy within

that. With this silencing of the democracy of the Republican party, however, the democracy of the Democratic party has slowly revived. The democrats of the American electorate are consequently separated by party lines. In the Republican party are the democratic Republicans whose democracy has been silenced by party authority; in the Democratic party are the democratic Democrats who struggle hopefully against a greedy and cunning bi-partisan plutocracy for party control.

It is to these democratic Democrats and democratic Republicans that the following reflections upon democratic ethics are addressed. One of the chapters appeared originally in the "Arena," of Boston and New York; another in "What's the Use," of East Aurora, N. Y.; a third in a Labor Day paper of Canada, and a fourth in the "Mirror," of St. Louis. To those publications cordial acknowledgments for permission to revise and republish are hereby made. The other chapters were published originally as editorials in "The Public," of Chicago. They comprise the permanent parts of nearly all the principal editorials in elucidation of this general subject which the writer, as editor of "The Public," contributed to that periodical during the first five years of its publication. Arranged now in logical sequence and partly rewritten, the collection as a whole offers an optimistic presentation of the democratic theory of human society.

There are places in which these essays will doubtless seem to be dogmatic. If they are so, it is only in form of expression and not in spirit. But even in the form of expression there is really no dogmatism, although the contrary inference may very well be drawn from their positive style. This positiveness, indeed, is intentional, and there is a reason for it. He who has something

affirmative to say, or thinks he has, ought to say it positively if he says it at all. Fumbling is inexcusable—in printer's ink; while positiveness has at least the one recommendation of implying that the author has given his own best thought to his work and believes in what he writes.

But readers need not believe because the author does. The function of positive writing is not to coerce readers; it is to arouse their interest, stimulate their thought, and encourage them to develop their intelligence. The indolent reader may fall into the temptation of raising the easy objection to positive styles of writing that they are dogmatic; but let him be assured that it will benefit him more to try to find out for himself why the "dogmatism" isn't true. It is equally desirable, of course, if he inclines to assent too readily, to find out for himself why it is true.

A more important objection to the essays than that they are dogmatic, may float to the top in indolent and thoughtless minds, or be thrown upon the surface of such minds by trusted leaders who love darkness rather than light,—the objection, namely, that they are "pessimistic."

To that objection the essays themselves furnish a full answer. The sum and substance of their "pessimism" is simply this, that they condemn what is evil. They apply to human society the principle of the Jewish prophet, that great principle of moral order which determines the invariable sequence of human progress—the law that men must cease to do evil before they can learn to do well. If this be pessimism, let the most be made of it. But it is not pessimism. On the contrary, it is the fundamental law of all sane optimism.

One more possible criticism may properly be antici-

pated. The essays are open to the objection of being "academic," because they deal so much with familiar facts and elementary principles and so little with obscure details. A book on ethics should need no apology for that. But quite apart from this reply, it may be urged that there is peculiar necessity, in these days of which Mr. Gradgrind must have had encouraging dreams, for repeatedly harking back to what is elementary and ought to be familiar.

It is illustrated by the old lawyers' story of a young practitioner who was arguing elementary principles of law very elaborately before an appellate court. "You may assume," interrupted one of the judges, with a shade of dignified impatience, "that the Court knows a little law." Quite good naturedly the lawyer retorted: "I made that assumption in the court below, your Honor, and that is the reason I have had to appeal."

Nothing is so badly needed in our day, for the solution of social, industrial and political problems, as academic discussion. There has been altogether too much unquestioned devotion of late years to inductive nebulosity. Undigested and indigestible statistics, miscellaneous facts without unifying theories, "scientific" fancies without logical substance, have been allowed too much liberty in crowding out deductive processes. So customary has it become to ignore general principles and distort logical analysis, that ability to reason with precision about abstract subjects of common interest and facts of common knowledge, is an unusual accomplishment. The syllogistic method, which demands exactness of thought, has been largely displaced by loose analogical habits and speculative inferences from "facts and figures."

Nor is that intellectual degeneracy confined to the

"vulgar herd." Even sociological specialists are in the habit, which Emerson condemned, of classifying things by their accidental appearances instead of by their relations of cause and effect. These experts have abandoned themselves so completely to the minute study of multitudes of minor and segregated facts relating to social life, that they lose sight altogether of the few great facts and their natural relations, and superciliously ignore the dominating principles that fairly thrust themselves into the mind when these relations are considered. Through overtraining in particularization they seem to have lost the power of generalization, thereby confirming the theory that Macaulay advanced when, in his essay on History, he wrote: "The talent of deciding on the circumstances of a particular case is often possessed in the highest perfection by persons destitute of the power of generalization. . . . Indeed, the species of discipline by which this dexterity is acquired tends to contract the mind and to render it incapable of abstract reasoning." What the older lawyers alluded to when they used to speak contemptuously of "case lawyers" is what many modern students of social philosophy have come to be. The "case lawyer" ignored general principles and flourished upon heterogeneous precedents; the modern social student, also ignoring general principles, thrives upon heterogeneous instances. There is necessity, therefore, for emphasizing the elementary natural principles of social life, those laws of human intercourse that need only to be understood to be accepted; and that is what in this volume is attempted.

The opening chapters deal with the ethics of democracy in their bearing upon expectations of human progress. The difference is here considered between spurious and

genuine optimism—between that vulgar optimism which is after all nothing but reckless indifference to social wrong-doing or wicked love for it, and the wholesome and effective kind of optimism which abhors and condemns what is wrong and inculcates what is right. With this difference distinguished, the way is clear for an exposure of some of the pitfalls that yawn for young men as they step over the threshold of youth and advance along the pathway of serious social life. These are not the pitfalls of personal immorality of which young men are properly but abundantly warned by other writers. They are pitfalls regarding which it is held in high places to be pessimistic to give warning. As a rule, such pitfalls are scrupulously and often artistically hidden from the sight of young men by the affectionate folly of their experienced elders. It is regarded as only a fraud of the pious order to assure them that there are no dangers of that kind. So young men fall into these hidden and decorated pitfalls, in shoals—fall into them helplessly without knowing that they exist. They are even pushed in, to make a causeway over which a few of their privileged fellows may pass on to ignoble success. Democratic ethics demand that this pious fraud be exposed, to the end that young men may appreciate the dangers that characterize our undemocratic social life, and may strive for a realization of the democratic principles under which no man's failure is necessary for any man's success.

Out of this application of democratic ethics to individual life there naturally develops a consideration of democracy in business life. That in turn brings forward for examination a variety of economic tendencies and their governing politico-economic principles, through

which the democratic ideal lights the way. With the economics of social life grasped, the problems of democratic government are easier to solve; and out of their solution there rises a conception of patriotism the thrill of which no man can know until he understands that the world is his country and all its inhabitants are his fellow citizens.

The concluding chapter expresses what the preceding ones suggest, the truth that in the moral as in the material universe there is a great order, a great harmony, conformity to which leads mankind upward and onward.

Out of that harmony the ethics of democracy are evolved. Along with its development the victories of democracy are won. And what nobly practical ethics! What soul-stirring victories!

Consider the ethical touchstone of democracy—the principle of the brotherhood of man. As true to absolute morals as the needle to the pole, its use with intelligent sincerity precludes all ethical error. There is no social problem so intricate, no labyrinth of political affairs so confusing, that its ethical difficulties cannot be overcome by submission in good faith to that great moral principle. "Foremost and grandest amid the teachings of Christ," said Mazzini, "were these two inseparable truths—'There is but one God; all men are the sons of God.'" That is no pious platitude. It is a recognition of the fundamental law of social life. And Lowell explained its application when he wrote: "He's true to God who's true to man."

Behold, too, democracy's splendid victories! What is the history of social progress but a story of successive struggles in which larger and larger opportunities for all have been wrested from more and more subtle modes of

privilege for the few? What is it but a story of successive achievements for freedom over tyranny, on higher and higher planes? What is it but a story of successive triumphs for the rights of men over the might of masters?

Nor has that story ended. The struggle is still on. "Freedom is re-created year by year, in hearts wide open on the Godward side." Now as ever it is as easy to be democratic heroes—

> . . . . as to sit the idle slaves,
> Of a legendary virtue carved upon our fathers' graves.

Even here and now "Ormuzd still fights with Ahriman—the Prince of Light with the Powers of Darkness"; and "he who will hear, to him the clarions of the battle call." The warfare of democracy against privilege in the most subtle forms it has yet disclosed, has but just begun. Yet we may confidently believe, with the optimism of the true democrat, that this modern battle for the ethics of democracy will end, as all those that have preceded it in the history of the race have ended, in a victory for rights over privileges.

Imperial power and economic monopoly may prosper for a time, but only democracy is strong to the end. For democracy is an expression of righteousness, and righteousness alone can ultimately prevail. When righteousness does prevail, then will there be universal peace; not the ghastly peace of the tomb, but the loving peace of brotherly justice. And with that peace will come prosperity; not the prosperity of a Dives with its crumbs for a Lazarus, but abundant prosperity for Lazarus and Dives both—on the just condition that the one quit begging and the other plundering, and that both go to

work. This is the era of natural law and social order which it is the function of democracy to usher in. This is what the social life will be when righteousness and peace shall have kissed, and the ethics of democracy are the acknowledged ethics of all mankind.

PART ONE

THE DEMOCRATIC OPTIMIST

Cease to do evil; learn to do well.

—ISAIAH, Ch. i., vs. 16-17.

What youth-hope for spirit when striving is old?
What warmth-hope for heart with a hearthstone a-cold?
What joy-hope for birth while a birth-right is sold?

—E. J. SALISBURY, in *The Public,* February 3, 1900.

See how the passing age toils on its way
Down Time's long thoroughfare. Erect by day,
In painful show of pride, by night it creeps
Toward Babylon along the sombre steeps
That bound Oblivion. Huge, weary, old,
The passing, dying age, grown rich, grows cold.

But once this age was lithe, once strong and young,
Once leaped its heart, once rang the song it sung,
Once Freedom was its queen, and from her throne
Men heard the wonder-words: "Ye are your own!"
Then eager Hope looked forth to halcyon days
Of earth all beautiful and life all praise.

But now the watchers stand, and now they peer,
And those of fainter heart grow sick with fear
To see the old, weak age draw near the line
Where reckoning History waits to whisper: "Mine!"
But down from other heights a gladder cry,
Swift-winged of joy—"A dawning age!"—sweeps by.

And Hope shall find an endless halcyon day,
And Freedom, crowned again, shall reign for aye,
While Music sings the mother-song of earth
To men made men again, where highest worth
Leads on to Love; when once again is blown
The clarion-call of Truth: "Ye are your own!"

—E. J. SALISBURY, in *The Public,* December 2, 1899.

For though the laws of Justice seem to sleep,
They never sleep; but like the ocean's flood
They creep up to the water mark of God,
And when they ebb there is but silent slime.

—C. E. S. Wood, in *The Public*, April 26, 1902.

"They have turned earth upside down,"
Says the foe;
"They have come to bring our town
Wreck and woe."
To this never-ending cry
Boldly here we make reply:
Yea and no.

Upside down the world has lain
Many a year;
We to turn it back again
Now appear.
Will ye, nill ye, we will do
What at last no man shall rue;
Have no fear.

—Stephen T. Byington.

CHAPTER I

SPURIOUS OPTIMISM

THERE is no allusion here to the schools of philosophy known respectively as "optimistic" and "pessimistic." The reference is altogether to those colloquial habits of speech which stigmatize fault-finders indiscriminately as pessimists, and commend mere applause-makers as optimists. While pessimism as a philosophy has been correctly characterized as a species of atheism, that characterization is certainly not true of all fault-finding; and when fault-finding is called pessimism and then indiscriminately denounced as atheism, which is quite a usual thing, the characterization is so unjust as to warrant the retort in kind that the optimism which consists in applause-making is devil worship. Indeed, what but devil worship can it be to make applause for wrong-doing?

Optimism, as too commonly understood and boastfully inculcated, is a spurious thing. So far from being a living protest against atheism, as genuine optimism is, it is nothing better than a manifestation of mental and spiritual indolence. "Things have always come out right, and they always will!" laughs the spurious optimist. And then he turns his back upon the task his Lord proffers him. He thinks of God as a miracle-worker, who makes the world progress as He originally created it, by omnipotent fiat, and wants no human co-operation but only human applause.

Of this type of optimist was the lazy farmer who said, one beautiful spring day, while standing upon his front

stoop and looking out over a fallow field: "If God wants a crop of corn in that field, He will grow one; if He doesn't, He won't; whatever is to be will be, and where's the use of my tearing up the smooth hard ground with a plow? Nay, I have faith in the goodness of God. I will go to the circus and enjoy myself, while He makes a corn crop for me if He wants me to have one."

It did not occur to this happy-go-lucky optimist that God is rational and works in human affairs through human channels and by means of human implements. He did not realize that although God gives the increase, some Paul must plant and some Apollos water. Instead of resting his faith upon a rational God, as he in his pagan ignorance supposed, he was resting it upon an irrational and impossible miracle-working fetich. But our lazy farmer truly types the spurious optimist in whose philosophy of life everything is for the best and will come out all right in the end. This species of optimist seems to imagine that God in His goodness will bring the increase, no matter whether a Paul plants and an Apollos waters or not. Too lazy mentally to think, too lazy spiritually to desire to act, they hail contentment as a virtue, and denounce as a pessimist whoever disturbs their indolent serenity.

Think for a moment of the attitude of these spurious optimists. It is not for them to consider indications of social stagnation or decadence, nor to work for social improvement. Leave all that to God! To doubt the certainty of progress is to doubt Him. Are we as a nation breaking away from our democratic moorings and drifting as the republic of Rome did, into a whirlpool of imperialism? "Never fear! God will take care of us. Don't blaspheme Him by urging that the prow of the

ship of state be turned in another direction. He will do that Himself if it is for the best. Let us enjoy the exciting voyage. Don't be a pessimist!" Are our institutions making classes of very rich and very poor, of luxurious idlers and impoverished workers? "Impossible. God is too good to allow that, and He is too wise and powerful to need advice or help from us. Let us laugh at these idle fears and enjoy the unparalleled progress we are making. Don't be a pessimist!"

That is not genuine optimism. It is only the pathetic optimism of the child in a boat, gliding swifter and swifter down Niagara River on toward the brink of the thundering cataract, that claps its hands in baby glee at the flowers along the banks as they rush by, until the boat topples on the very edge of the abyss. It is too late then for genuine optimism.

Optimists of that spurious sort, who are really the most dangerous of pessimists, never tire of cheerfully assuring everybody that "the world moves onward and upward in spite of grumblers and fault-finders." They seldom reflect that it is those they call grumblers and fault-finders, the people who "rail," as they would put it, at community evils—the anti-monarchy Sam Adamses and Patrick Henrys, the anti-slavery Garrisons and Beechers, the anti-monopoly agitators of our own time—who compel the world to move onward and upward. Yet evils must be rejected if progress is to be made. No community any more than an individual soul ever learned to do well without first ceasing to do evil. It is contrary to the natural order. "Cease to do evil; learn to do well," expresses the universal sequence of human progress. And as no imperfect individual would ever cease to do evil if the grumblings and fault-findings of his conscience did

not spur him to it, so no community evils would ever be put aside if it were not for the grumblers and fault-finders who disturb the social calm by demanding that society cease to do evil in order that it may learn to do well.

What happy-go-lucky optimists have ever contributed to the onward and upward movement of the world? None. They seem to suppose that the world moves on and up, not in consequence of impulses from so-called "pessimists" who agonize for it, dying daily upon ten thousand crosses for the remission of its sins, but through some divinely miraculous influence if they belong to a church, or some atheistically evolutionary process if their affiliations are "scientific."

CHAPTER II

AFFIRMATIVE NEGATIONS AND NEGATIVE AFFIRMATIONS

OPTIMISM of the happy-go-lucky sort has but one test to distinguish good from bad. It clings to the affirmative; it abhors the negative. "I believe," said the optimistic sponsor for one of the many new religious movements, while explaining that his movement aimed to promote the affirmative instead of the negative principle of life—"I believe," he said, "that by laying stress on the affirmative, the world will be improved"; and then he added, by way of exhortation: "The heart lays stress on the affirmative when it loves, and on the negative when it hates."

In its essence, that is good doctrine. But your spurious optimist makes its truth his falsehood. For he ignores the spirit of the doctrine, which makes for life, and clings to its letter, which kills. His error is not in the principle he proclaims. The principle is true. It is in his application of the principle. For he handily settles the question of which of two opposing things is affirmative, by adopting the one that happens, though by the merest accident, to be affirmative in form. The temptation must be great to such a man to strike from the decalogue all the prohibitory commandments as pessimistic negations.

In substance, affirmation is indeed life and negation death. We should therefore prefer the affirmative to the negative—that which is engendered by love to that which

is engendered by hate. But before doing so, let us be sure that the subject of our choice is substance regardless of form and not form regardless of substance. Affirmative negations, which are affirmative in form but negate the substance, must be distinguished from negative affirmations, which are negative in form but affirm the substance.

An impressive example of the negative affirmation is to be found in the political history of the United States. The Republican party at its birth was in form a party of negation. It held but two leading doctrines, and both were what at a more recent time would have been slangily called "anties"—"anti-slavery" and "anti-polygamy." Yet, essentially, the Republican party was not a party of negation. Though it held the negative side of the issues of that day, it was nevertheless then the party of life and progress. Its negation of the false was equivalent to an affirmation of the true. Anti-slavery and anti-polygamy, though in form negative, were in substance affirmative. Anti-wrong is always pro-right.

A very common example of word juggling for the purpose of giving negations the appearance of affirmations, and thereby misleading spurious optimists, may often be observed in the proceedings of deliberative bodies. It is a common trick of parliamentary tactics. Whenever the tricky tactician's side of a question happens to be in negative form, he moves an amendment which embodies essentially the same proposition in affirmative form. For illustration: It is moved that ten dollars be appropriated to such-and-such a purpose. If this presents a proposition to which the tactician is opposed, he moves an amendment to the effect that the purpose named be excluded from all appropriations. He

does this because he knows that the spurious optimists, and they usually hold the balance of power in assemblies, will vote "aye" as naturally as leaves wither in the Fall. So, with an inexperienced opposition, together with an unfair or unsophisticated chairman, he may succeed in his design, and win on an "aye" vote the identical point that he would lose on a "nay" vote. A little intelligent reflection upon this common parliamentary trick should suggest to spurious optimists that more wholesome affirmation may be concealed in negative forms than they had suspected.

By some such word juggling all the opposition to falsity and evil that has given life to the world could be condemned as pessimistic negation. Error could always be transformed into truth if mere verbal affirmation were truth. Suppose one should assert that there is a personal devil superior to God; or that the earth is larger than the sun; or that dogs are men; or that theft is righteous. Would denial be negation? Obviously not. What here purport to be affirmations are such only in form. They affirm falsehood, not truth, and are therefore negations of substance. To deny them is, consequently, not negation. In spite of its negative form, it is in substance affirmation.

This is true of the whole brood of negations in affirmative form that embryonic tyranny has hatched for the deception and undoing of mankind. Whenever power goes wrong, the evil it does assumes affirmative forms. The forms of righteousness in such cases must consequently of necessity be negative. Before condemning any negation, then, which consists in opposing public policies, it is of transcendent importance that those policies, even though affirmative in form, be thoroughly dissected to

see if they may not nevertheless be negative in substance.

Opposition to wrong things is not negation but affirmation. It is not pessimism but optimism.

CHAPTER III

OPTIMISTIC PESSIMISM

WHILE much that passes for optimism is not so in fact,—while it is, as already suggested, a manifestation of mental and spiritual indolence, indulged in by good-natured people who find it easier to trust in God lazily and praise His name vociferously than to help Him industriously,—so, on the other hand, there is much genuine optimism in what passes for pessimism. There are times when the best expression of Godward optimism is an aggressive "pessimism" vitalized with a keen sense of outraged justice.

The man who, though hopeless of the triumph of justice over injustice, of right over wrong, yet fights for justice, dies for justice if need be, lives or pleads or suffers for justice, even scolds for justice's sake if he can do nothing better—that man, though he deny God with his lips, cherishes Him in his heart. He may profess to be hopeless, but his life testifies to his faith. At the worst he is an inverted hypocrite, and that is vastly better than an inverted saint. In comparison with pessimists of this kind, the happy-go-lucky lotus-eating optimists are sorry creatures, though they be in the majority a thousand to one.

To warn an erring people that they must mend their ways or perish is not atheistic pessimism. It is Godward optimism at its best but hardest and most thankless work. Doubtless the spurious optimists of Nine-

veh thought Jonah an atheistic pessimist when he dolefully foretold the destruction of their proud and prosperous city. But Jonah was certainly not an atheist, and his pessimism was their salvation. Noah, too, was a pessimist; and if his pessimism did not save the happy-go-lucky optimists of his day, who thought the deluge "wasn't going to be much of a shower," it was because they refused to heed his prophecies of disaster. In our time, as in Noah's and Jonah's, God sends his warning messages through so-called pessimists. "If ye keep on denying in your lives this truth and that," say they, as Jonah said to the Ninevites, "ye are doomed! Unless ye mend your ways, ye shall surely perish!" That has been the cry of the pessimism that in reality is optimism, all down the ages. It is the cry that has made the world advance.

For the world has advanced, and it does advance, not only in victories over external nature, but also along the lines of moral righteousness. Though there are fluctuations, now up and now down, now forward and now backward, the trend is ever upward and onward. He would be blind who could not see it. But every one does see it, and because that is so it is the jolly stock in trade of happy-go-lucky optimists. None of their kind ever helps to make or maintain this trend, unless by accident and after the worst of the work is over. They do not give warning like Jonah, nor are they disposed to mend their ways like the Ninevites. Their principal function seems always to have been to sing about accomplished progress while good naturedly obstructing further progress.

The lesson these spurious optimists need to learn is that a jolly state of mind is not necessarily optimism. If

it were, the mother weeping over the dead body of her first born would be a pessimist, while the heartless fool laughing at the funeral would be an optimist. A gloomy outlook is not necessarily inconsistent with optimism, although it does make useless demands upon the vital energies; nor is a smiling face necessarily inconsistent with pessimism of the deadliest type. Whether one is a true optimist or a true pessimist depends less upon such superficial things than upon the direction of his life. To live towards the development of righteousness is to be an optimist; to live indifferent to righteousness—no matter whether sadly indifferent or cheerfully so—is to be a pessimist.

The selfish man is no optimist, however contented and happy and cheerful and hopeful and churchly he may be. The happier he is in his selfishness and the more hopeful about it, the less right has he to rank as an optimist. Nor is the unselfish man with a gloomy outlook a pessimist. No one can be inwardly hopeless of ultimate righteous adjustments who gives the first place in his life to a just though unpopular cause.

It is by striving to uproot injustice and reverse its destructive social tendency, that men prove their optimism and godly faith. Tried by that test, the blindest atheists and deadest pessimists of any day and generation are to be found among the most pious and cheerful "optimists." True optimists, on the contrary, may often be found verbally denying God and hopelessly declaring that all is vanity and vexation. They wear outwardly the gloomy mask of atheistic pessimism, but all within is devotion and faith.

CHAPTER IV

DESTRUCTION FOR CONSTRUCTION

"BE constructive, not destructive." This is another familiar slogan of the spurious optimist—something like his plea for "affirmation, not negation." And, as with that, this idea of construction in preference to destruction does express a vital truth; for it is not destruction but construction, towards which all useful effort is directed. Yet the idea may be, and commonly is, so stupidly apprehended as to turn the words into a sirens' song.

In properly rejecting destructiveness as an end, we are in danger of improperly rejecting it as a means to an end. There are kinds of destruction which are first steps toward solid construction. Before we can construct the good, we must destroy the bad it is to replace. False knowledge must be unlearned before true knowledge can be acquired. Bad morals must be weeded out before good morals can be cultivated. We must cease to do evil before we can learn to do well. Iconoclasm is an essential prerequisite to lasting progress. With reference, for instance, to false religions, atheism may well be the beginning of true religious experience. When a man who has blindly followed pagan leaders in religion is restored to spiritual sight, he is apt at first to think himself an agnostic, a materialist, an atheist. Spiritual truth dazzles him, after his long belief in spiritual falsities; and, like the blind man whom Jesus restored to sight at Bethsaida,

he sees men as trees walking—sees spiritual truths distorted and thinks them mystical hallucinations. But may not this period of undiscriminating skepticism be as a passage from paganistic piety to genuine religion? May it not be only a phase of the process of ceasing to do evil in order to learn to do well?—a necessary part of that task of destroying the false which must always precede any solid construction of the true? It is folly to denounce destructiveness indiscriminately and to urge a "constructive policy," when the site for good construction is occupied by "shacks." Before the good structure can rise, the "shacks" must be torn down.

Foundations are the primary concern in all construction. This is self-evident, and would hardly need to be mentioned but for the spurious optimists who are so prone to ignore it. The man who built his house upon the sand was probably one of them. He wanted to be constructive without being destructive. But the destructive pessimist who hewed away at the rock until he had destroyed enough of it to make him a foundation there, proved in the end, when the rains descended and the winds blew and the floods came, to have been the more constructive optimist of the two.

The principle here illustrated with reference to individual character applies also to the social edifice. Mankind cannot build new social structures without tearing down old ones. They cannot adopt the exclusively constructive plan of the county commissioners in a State that need not be named, who "resolved, first, that we build a new court house; resolved, second, that we build the new court house out of the materials of the old one; and, resolved, third, that we use the old court house until the new one is finished." It is no less true of mankind than of indi-

vidual men, that we must destroy before we can construct, that we must tear down before we can build up, that we must put aside evil before we can learn to do well.

But evil cannot be put aside, either by individuals or society, until it has been faced, recognized, acknowledged and intelligently condemned. Disinclination to do this is temptation. The individual doesn't like to face his own wickedness and call it by its right name. He is tempted not to. Public opinion doesn't like to acknowledge social wickedness and call that by its right name. It is tempted not to. But of all temptations this is the one that both individuals and society need most to resist. Neither the individual nor society can progress without putting aside evil, and evil cannot be put aside until it is acknowledged. But resistance to the temptation to deny or ignore or boast of it, to the temptation to feel that as individuals we ourselves are good (no matter how wicked our neighbors may be) and that society as a whole is at its best—resistance to this temptation may easily be mistaken for destructive pessimism. Call it so if you will, but make no mistake about its tremendous import, nevertheless, in the divine economy. In the individual conscience the destructive pessimist that awakens and stimulates a conviction of individual sin is remorse. In the social conscience analogous awakenings and stimulation are caused by so-called pessimists, by the men who "find fault" with and "rail" at and fight against the social evils that exist, without seeming to offer anything in their place, and who sometimes bring exalted defenders of those evils to the bar of the social conscience with an ominous, "Thou art the man!"

Out of the pessimism which faces, recognizes, acknowledges and condemns existing political, industrial

and social evils, springs the optimism which is genuine, that optimism which actually makes for human progress, instead of the spurious and frivolous kind which does nothing but applaud—and does that *ex post facto*. Society, even like the individual, must repent in order to be saved. Social repentance is too often mistaken by the unrepentant for atheistic pessimism; but if it may be called pessimism at all, it is the pessimism of the optimist. In reality it is not pessimism. It is a quality of genuine optimism without which there could be no progress. So long as any vestige of tyranny remains in human government, social repentance must be a fundamental principle in the ethics of democracy. Without realizing the necessity for acknowledging, condemning and destroying social institutions that are morally wrong, no one can be a democratic optimist.

PART TWO

INDIVIDUAL LIFE

They pass, a mighty army
  From every race and age—
The just, who toiled for justice
  And asked no other wage.

And though the people's laurels
  About my brow I bind—
I know *they* sought a city
  That I shall never find.

They climbed the large, steep pathway,
  By saints and heroes trod,
To the home of the ideal,
  And to the mount of God.

—May Kendall, in *New Age*, London.

For those who see Truth and would follow her; for those who recognize Justice and would stand for her, success is not the only thing. Success! Why, Falsehood has often that to give; and Injustice often has that to give. Must not Truth and Justice have something to give that is their own by proper right—theirs in essence, and not by accident? That they have, and that here and now, every one who has felt their exaltation knows.

—Henry George, in *"Progress and Poverty."*

CHAPTER I

THE COLLEGE GRADUATE

WHOEVER lives in the future while he is young, cheerily building castles in Spain, is likely as he grows old to live in the past and wander sadly among the tombs. One had better live always in the present, troubled neither by day dreams of opportunities yet to be grasped nor by morbid memories of opportunities missed.

But living in the present is a very different thing from wallowing in it. To live in the present does not mean that the future may be left to look out for itself, nor that the dead past may be cynically told to bury its own dead. No one should become so completely absorbed in to-day as to remember nothing of yesterday and care nothing for to-morrow. The past is a present gone; it is to be cherished for its lessons. The future is a present to come; it is to be guarded for its fruitions. But while we turn to the past as a faithful monitor and look to the future with rational hope, it is upon the present that our lives should at all times concentrate. Young men just embarking upon the choppy sea of practical affairs, will find this admonition of peculiar value, especially those young men of whom the American college graduate is a type.

The average college graduate, with all his advantages in some respects, is pathetically unfortunate in one particular. He is allowed to imagine—worse yet, he is confirmed in the wretched delusion—that the world is his oys-

ter if he but elect to open it. To him the future is what Santa Claus is to the child, except that children are undeceived in good time. Even while the Santa Claus delusion lasts, they are on the one hand entertained by it and on the other unharmed. Not so with the college graduate. His Santa Claus delusion is not a source of innocent amusement; it is the cause of years of unwholesome excitement and feverish hope. And no one undeceives him. Until disappointment has succeeded disappointment and deadening failure has at last crowned his middle life with thorns, he struggles blindly and painfully on, confident that the non-existent Santa Claus of his under-graduate days will yet fill his stockings. This is unfair to young men. Those who know the world owe it to them not to kindle false hopes. They owe it to them to tell the truth. No young man of good mettle would be discouraged by knowing the truth, and many might be saved by it from disaster.

When the graduate closes his college career, it is with the expectation, fostered by his elders throughout his youth, that although he may have a hard struggle in the world, he will surely conquer a place for himself if he has taken due advantage of what his college has offered him and shall lead an honorable and industrious life. He may see wrecks of past college commencements scattered all along the shores of business and professional life; but he has been told that these are attributable to individual defects, and with his narrow experience and implicit confidence in his seniors, he believes it. Student of economics though he may have been, the idea that economic conditions prevail which make what is called success impossible for the mass of men as ambitious and capable as himself never enters his mind. Yet the chances

are very many to one that he will be sorely disappointed.

If disappointments of this kind were in the nature of things—if, for example, failure in life were like death in battle, an experience that must come inevitably to a certain proportion, and may as likely come to one as to another, regardless of personal merits or defects—it might be unwholesome pessimism to look forward to possible failure. The child-like optimism of most newfledged graduates would then be something to encourage. Better for each of them in that case that he take his own success for granted and be inspired by the thought, than that he risk losing heart in expectation of failure.

But these disappointments are not in the nature of things. They are abnormal. Due to social conditions which are traceable to man-made customs and laws at variance with the laws of nature, they may be and ought to be avoided. For that reason, the sooner college graduates learn to forecast the sickening failures that lie in the path of most of their number, the better for them and for all the rest of the world. While they are yet in their strength, they should be stimulated to turn their attention to the causes of almost universal failure in a world in which there ought to be almost universal success.

CHAPTER II

SUCCESS

FAR am I from suggesting that even under prevailing industrial conditions the greatest success cannot be achieved by every one. There is a kind of success which, though commonly accounted failure, is success at its highest. The door to this is wide open to everybody, but few there be who wish to enter in thereat. Many of the "wrecks" which lie strewn along the shores of business and professional life are monuments to such success, a success which no triumph in business can equal. While all of these "wrecks" are significant of a state of society that is a withering rebuke to our professions of Christianity, many of them testify to glorious victories over temptations to achieve a success that would be ignoble.

Were this a sermon on success, it would pointedly distinguish the different kinds. It would show how success may consist on the one hand in building up character with reference to moral principle, or, on the other, in gaining more or less of the whole world and losing your own soul. And it would urge the lesson of the high mountain in the Holy Land, where the most successful Personality in all history signalized what a modern business man would have called his lack of business sense, with the thrilling exclamation: "Get thee behind me, Satan!" But this is not to be a sermon—at any rate, not that kind of sermon. It is to be an unreserved inquiry into the possibilities of achieving the species of success which happy-

go-lucky optimists admire, the kind of success whose treasures are subject to the ravages of moths and thieves and corruption.

Success of this kind also may, indeed, be achieved under prevailing industrial conditions. Though the way to it is not open to everybody, even its highest places are open to some in almost every generation. What your spurious optimists often say is true, that there is "always plenty of room at the top." There will probably never come a time under the most disordered industrial conditions when twenty thousand dollar men will not be demanded in excess of the supply. The characteristic evil of these conditions is not that there is scant room at the top, but that there is no room at the bottom, where in the nature of things room ought to be abundant. But roomy as it is at the top, those who get there must strain and strive to climb up on the shoulders of their fellows, with little regard for themselves and none whatever for the rights of others beyond what the law enforces and public opinion exacts. He who intends to secure even a moderate measure of success, as success goes, must be prepared to do so at the expense of the rights of his brethren and his own bodily health and moral integrity.

Let no one shrink at this assertion nor resent it. Every successful man, and every one who has intelligently observed the successful career of others, knows that it is only at the cost of racked nerves and either a racked or deadened conscience, that success is in these times secured. Would a man be successful in manufactures or commerce, he must plot and plan by day and by night to obtain privileges or advantages enabling him to exact tribute out of the sweat of his fellow men. Would he succeed at the bar, he must devote himself much less

to the goddess of Justice than to the grasping interests of monopolist clients. Even in the ministry, he must lay the perfect ashlar of Gospel truth in a bed of soft cushions lest its squared corners bruise wealthy parishioners, or he will find himself a straggler from the ranks of successful clergymen. Let him go into any of the vocations, from petty retail merchant to great manufacturer, from bootblack to policeman, and he will learn to regard the measure of success he might reasonably look for, as something which he can get and keep only as others as meritorious, though maybe not so rapacious as himself, are headed off.

In these days of great social unrest, caused by the growing pressure upon the masses of men of poverty and fear of poverty, those of us who sympathize with the restless and are counted, if indeed we do not count ourselves, among them, are frequently assured not only that exceptionally adaptable persons may, but that all persons can, become rich if they try. It is the same Santa Claus story which projects the optimistic college graduate out into the swales and swamps of the business world after a will-o'-the-wisp.

Curiously enough this theory of life is not peculiar to the rich, nor even to those who have not laid aside their hopes of becoming rich. It is extremely popular even among the thriftless and shiftless poor. With amusing confidence men badly clothed and poorly fed, old men, too, to whom the world is no longer an inviting oyster, will often contend like a lawyer for his fee, that anybody can get rich if he tries—and has a little luck. They would have you believe that bad luck alone accounts for their own hapless condition.

And the thrifty poor, those who have worked and

pinched all their lives but are passing their age in penury, those pathetic human creatures who are, as Cowper writes of another class,—

> Dropping buckets into empty wells,
> And growing old in drawing nothing up,—

they do not even admit luck as a factor, but are firmly convinced that getting rich is only a matter of working hard enough and intelligently enough and of saving enough. If they themselves are poor, with all their industry and thrift, why, "It's God's will!"

Then there are the industrious and thrifty who do get somewhat ahead. They are the small self-made men whom we have all met. Because they have a tuppenny share in some subtle scheme for making the many support the few, they imagine that they are superior creatures. In fact, they are but the willing retainers and stool pigeons of a privileged caste, feeding upon the leavings of their idle and thriftless but wealthy and unidentified masters. Of course they believe that anybody can succeed, for haven't they succeeded?

And this much, indeed, is doubtless true, that anybody who tries to get rich, and does the right things at the right times, will succeed—measurably, at least. But that is no more true of business than of crime. Is it retorted, then, that the contention that any one can get rich who tries is not an argument in promotion of crime? The retort would not be true. This contention is, indeed, not intended to encourage conventional larceny, but it is intended to encourage processes that have all the moral elements of larceny.

Larceny does not consist merely in violating larceny

laws. Though there were no larceny laws, stealing would be none the less a moral crime. To steal is to appropriate another's just property against his will; and in the eye of the moral law the manner in which it is done makes no difference. Some men do it by stealth; when detected they are imprisoned. Some do it by violence, using club or pistol or sandbag to enforce their nefarious demands; they, too, are imprisoned when they are caught. Others do it by procuring the enactment of statutes authorizing wholesale depredation, or preventing the enactment of statutes abolishing predatory institutions. These are often rewarded with large loot and a place among "our best citizens." Some of them ascend to the judgment seat and sit in the chair of the law-giver. But it is larceny all the same. Legal and social distinctions there are, but there is no room for moral distinction. Morally it is all stealing.

When it is said that any one can get rich if he tries, does it mean that opportunities for adding to the world's wealth are abundant and that by utilizing them any one can become rich to the extent of his usefulness? Or does it mean that without adding to the world's wealth he can if he tries secure to himself a share of what others add to it? There is the test. If it is said to mean the former, it isn't true. If the latter, it isn't honest. Neither is the latter true; for though some may prosper by mere appropriation all cannot. What the prosperous gain their victims must lose.

The prime condition of success now most generally approved is somewhat different from that which prevailed two or three generations ago. In their youth men now of middle age were assiduously taught that their success would depend upon their piety. This idea was inculcated

in the church, in the home, in the school; and in debating societies lean arguments were fattened with it. It was the lesson of the marble-back story-books in Sunday-school libraries, and the burden of all other respectable vehicles of advice to the young. In the pietized imagination of that day the good boy was destined, if he escaped an early and joyous death, to become a rich and exemplary man.

Usually the illustrative examples were mythical. Yet living ones were not wanting. The theory did suffer serious strain when the millionaire Girard was mentioned; but all "infidels" had not committed themselves, as he had, to hostility to churches in their wills; and even John Jacob Astor could be referred to, though with some reserve, as a poor and pious boy grown wealthy. Spectacular success, however, was not common then. The types were the little rich men of the neighborhood. With but few exceptions they were conspicuously pious; they had in almost all instances been poor boys; and as uniformly as circumstances would permit, their success was attributed to their piety from youth up. Incidental advantages were often known to have contributed, but these fortuitous circumstances were not considered important enough to count.

When the piety of that period is analyzed, its nature seems to have been not unfairly exemplified by the little Negro of the wharves, who pushed and shoved and trampled upon his smaller companions to get the pennies a stranger threw over a ship's side in order to see the dusky youngsters scramble for them. After he had filled his pockets with the coin, of which he had strenuously prevented the others from getting a share, this ebony monopolist in embryo refused to entertain the stranger by dancing, even for good pay, because he had joined the church!

Piety consisted, that is, chiefly in getting into church and keeping out of jail. Given those two conditions, and few questions were asked. So the pious were supposed to succeed, and the successful were supposed to be pious.

Not many sensible people to-day would attribute success to piety. Too many pious men have failed. Too many pious men are hopelessly poor. Too many of the unpious have been crowned with success. Even professional pietists no longer recommend piety for business reasons. Almost universally it is now understood that genuine piety is a positive bar to success; and as for the other kind, however valuable hypocrisy may once have been as a commercial asset, it is valuable no longer. While ambitious business men are as careful as ever to keep out of jail, they are not so careful to get into church. Piety as a specific for success has been superseded by industry. The successful are now assumed to have been industrious, and the industrious are assured of success.

This notion is adopted and fondled and propagated not only by those who are ambitious to gain as much of the world as possible though they lose their own souls, but it is also approved and applauded and assiduously impressed upon the minds of youth by professional teachers of moral and spiritual philosophies. It is the latter day substitute for piety. But will it work any better? That is the question.

The best expression, perhaps, of this modern theory of success was "The Message to Garcia," a tract that once evoked very general applause. One railroad magnate, who had himself been successful, distributed copies broadcast among his unsuccessful subordinates to teach them how to rise. The tract told of a young military officer who early in the war with Spain was given a message by

the war department to carry to the Cuban General, Garcia. The difficulties in the way of the messenger seemed insurmountable. But he made no protest and asked no questions. He had been told to carry a message to Garcia, and he did it. The tract might have gained in force if its author could have written a sequel describing the consequent success of the plucky young officer—his promotion, say, to the grade of brigadier-general. But that reward did not go to the officer who carried the message to Garcia; it was reserved for the one who perpetrated a forgery upon Aguinaldo. Despite this suggestive anti-climax, however, the story of the message to Garcia was widely accepted as a true exposition of the secret of business success. When you are told by your superiors to do something, don't hesitate, don't question, but do it; and business success is yours. That was the moral.

President McKinley spoke to the same effect at a colored school in Louisiana, during his continental tour in 1901. He told his youthful Negro hearers that if they would get an education, build up a good character, and be unfalteringly industrious, they would have "success anywhere and everywhere," and that this was true of blacks and whites alike. A survival of the pietistic theory was introduced there, in the allusion to building up a good character. There was also a reference to another theory of success, which once had general vogue but is now almost monopolized by ambitious schoolboys and college students—the theory that book education opens the way. But Mr. McKinley, like the author of "The Message to Garcia," laid his emphasis upon "unfaltering industry."

Most impressive, however, of all the teachers along

this line has been Mr. Charles M. Schwab, the man who from an impoverished boyhood was reported to have risen by Garcia message-carrying methods to a salaried position of a million dollars a year. His stupendous success was regarded as a guaranty of his competency to advise. In an address to the graduates of a technical school in New York, Mr. Schwab summed up the now dominant philosophy of success in one pregnant sentence. "Everybody," said he, "is expected to do his duty; but the boy who does his duty, and a little more than his duty, is the boy who is going to succeed in this world."

The theory of success thus indicated resembles that which it has displaced. It requires an excess of the necessary virtue. This being given, it is true. Just as the idea was true that the good boy would succeed, provided a large proportion of boys were not good, so is it true that the industrious boy may succeed, provided a large proportion of boys are not industrious. The industry must always be excessive or it doesn't count for success. In other words, this much belauded secret of success is effective only so long as most people don't act upon it.

If all were industrious equally, none could succeed. There would be a dead level. But all are not and cannot be equally industrious. Consequently if all try to succeed by exceptional industry, the great mass will come into a condition of virtual servitude to those of exceptional powers—a servitude that would be all the more profitable to the successful ones on account of the high standard of industry the universal struggle for success would establish.

If, for illustration, the clerk who willingly works nine hours when the rule is eight, thereby gains promotion, and if all in the office are ambitious, the rivalry for suc-

cess will result, if the employer also is ambitious, in extending the working day to nine hours. After that the clerk who would distinguish himself must work ten hours. And when in the course of time a new rivalry shall have raised office hours to this standard, willingness to work eleven hours will be the test of industrial worth. Nor would the rivalry end here. If all were striving for success, it would not end until the standard of office hours had been raised so high as to abolish general leisure, and a few men of exceptional endurance and abilities had become masters of the rest.

Returning from this illustration to the more general considerations which it roughly explains, if all workers were to do more than their duty in some degree, only the exceptional ones who did it in greater degree could win; and if all rose to that standard, the winners would be those who raised the standard still higher. Should the process go on, none could succeed finally but those who so far overleaped the limits of their duty as to go the full length of human endurance; and then, even if all were endowed with equal endurance, success could no longer depend upon excessive industry. None could excel when all had reached the limit.

The time would never come, of course, when all workers would reach the highest standard of human endurance. Some would be physically too weak and others morally too sane. There would be some point at which the great mass would give up in despair;* and when that

* An illustration from the actual experience of a well-known man was furnished by Lincoln Steffens in *McClure's Magazine* for August, 1903. Mr. Steffens was accounting for the success of Jacob A. Riis as a newspaper reporter when he worked for an afternoon newspaper. "Beaten at first," Mr. Steffens writes, "Riis

point had been reached the social problem would be just where it is now, just where it would have remained if no universal desire to succeed by excessive industry had taken possession of the people. Then, as now, only the few could succeed. The difference would be that with the rest the strain for a bare living would be more tense, while the successful few would have to be stronger than ever and more insanely ambitious. Those who fell below the advanced standard would still be crowded to the wall, still be denounced as indolent, still be robbed of the lion's share of what they did produce; those who rose above the new standard would still thrive upon the unrequited toil of their brethren.

That industry is a virtue is profoundly true. It is one, moreover, which is too much neglected by all classes. The work of even laborious toilers is drudgery rather than industry, and a vast amount of upper class labor is hardly more useful or honest than "the process known as four of a kind." Whoever, therefore, writes anything or says anything calculated to stimulate wholesome industry renders a public service. But he who stimulates it by raising hopes of business success as the reward of industry—hopes which in the great majority of cases must turn to ashes—commits a social crime.

It is not true, as is often asserted, that the success of our rich men is attributable to doing more than their duty. While excessive devotion to their employers' interests may have given to their successful business career

soon was beating his rival reporters. They went to work at noon, he came down at eleven; they came at eleven, he at eight; they came at eight, Riis was soon covering the town from the time the morning papers went to press at 2:30 o'clock in the morning, and to that 'crazy' extreme the others would not follow."

its original impulse, other factors have entered in to produce the successful result. Good or bad may these factors have been; just or unjust; sordid or not; mean or manly —but they, and not alone fidelity to an employer's interests, not alone excessive devotion to duty, not alone extraordinary industry, have turned the scale for success or failure.

Many factors are necessary to success, and most important of all at the present time is some advantage whereby the industry of the unsuccessful may be forced to contribute to the success of those who succeed. Not until a man can live in fabulous luxury upon the labors of others is he accounted successful. For that reason alone industry is no guaranty of success in life. The industrious as a class cannot succeed so long as success consists in the possession by the successful of power to levy tribute upon the industry of the unsuccessful. To say otherwise is to make a contradiction in terms.

By natural law, success does depend upon industry; and the degree and intelligence of the industry does naturally determine the measure of the success. This would be true, also, in actual experience, if industry were identified exclusively with rendering service. Then success would not be merely a prize for the extraordinary feats of a few, and something almost as difficult to keep as to get. It would be the reward of all, and to each according to the measure of his usefulness. Each would get his own earnings. But industry is not exclusively identified with rendering service. It may be devoted in a slave country to acquiring slaves; and there the successful man would be he who had acquired enough slaves to relieve him of all necessity for working. In more civilized communities it may be devoted to acquiring financial interests that are

nourished by veiled systems of slavery. The principle is the same; it is only the method that differs. And just as it would be cruel mockery in a slave country to tell slaves that excessive industry would assure them business success, when in fact not they but their masters would profit by their greater activity, so is it in the country of higher civilization—indeed, it is even more cruel there, because more deceptive—to teach young men that success depends upon industry. It would be only the truth to teach that it depends upon monopoly.

Does not every intelligent man know, and will not every genuinely honest man admit, that the industrial power of the present time centers in monopoly? True enough, monopoly may be acquired through extraordinary industry, so long as the standards of work leave a margin for extraordinary labor feats; but it is the monopoly, all the same, and not industry, that finally makes success.

Monopoly is a process of levying tribute upon the industrious for the benefit of monopoly beneficiaries. When it exists, increased industry among non-monopolists cannot benefit them as a class. Some of their number may for a time by superior energy climb out of their class and become monopolists; but as soon as intensified industry becomes general all its profits go to fatten the monopoly class and not to enrich the industrious class.

Incentives to general industry are therefore popular with monopolists and their agents and organs of opinion, and with their dupes. If the people of this country could be induced to work harder in the hope that all may thereby win success, the value of monopolies would rise. But industry in general would be no better paid; and the industrious who did not push their activities above

the level of the new standards would win no prizes. The frequently repeated advice which agents and beneficiaries of monopoly interests give to young men, that extraordinary industry is the key to success, is suggestive of the method of making the mule turn the mill by hanging a bundle of hay where it continually dangles before his nose but always eludes his reach.

Yet there is hope in this theory of business success. It does something in pushing aside the old idea that business success is the reward of piety. It will do more presently in demonstrating its own deceptiveness. Not more than two or three generations are likely to be fooled by it. After a little experience, the people may be trusted to recognize that under existing conditions success does not depend upon industry, as a rule of general application. Yet the true logic of the rule will lose none of its force. The conviction will still remain that industry, even though not the measure of success, certainly ought to be.

Let the people once look at the matter in that way, and the solution of the social problem will be at hand. They cannot long look upon it so without being put upon inquiry. They cannot feel that industry ought to be the measure of success, yet realize that it is not, without searching earnestly for the cause of this conflict between what ought to be and what is. And if they once set about searching for the cause, they will ultimately find it in the institution of monopoly—an institution so obtrusive, so bold, so comprehensively explanatory, as to make them wonder why they never thought of it before. When the theory that industry is the true measure of success once receives full and candid consideration, the doom of monopoly will have sounded. For then it will be seen that

with equal natural opportunities secured to all, with justice established and monopoly abolished, the optimistic dream of the college graduate would come true: that without nerve strain or conscience strain all could succeed who tried to, and only those would fail who deserved to fail.

Meanwhile, however, this theory, as now exploited, is vicious and dangerous. It is dangerous because it will bitterly disappoint most of the young men who adopt it; and in their blind anger they may, if occasion occurs, neither weigh the wisdom nor count the cost of violence. Nothing could be better to produce reckless revolutionaires. It is vicious because it gives the youth of the country a fundamentally false idea of life. Though embodying a substantial truth, the truth that success is the natural reward of industry, this false theory of success deceptively inculcates the idea that existing social conditions actually permit the rewards of industry to find their natural objects. It conceals the monopolistic influences which now disturb the natural distribution of the proceeds of industry, and by doing that it falsifies the very truth it embodies, thus realizing Tennyson's thought that "a lie which is half a truth is ever the blackest of lies."

CHAPTER III

RESPECTING THE RESPECTABLE

CLOSELY associated with the half truth we have just considered, is the pernicious notion that respectable things should be respected. It is pernicious not because respectable things never deserve respect, for they often do; but because the standard is false. It takes no account of worthiness, no account of truth.

Of all rules of human conduct this is one of the easiest to obey. Young men and women need not be advised, as they so often are, to regulate their lives by it. Most of them do so spontaneously. Men of all conditions and vocations intuitively respect the respectable. The day laborer shrinks from the contempt of his neighbors, and guards his conduct from the scorn of his superiors; wishing to be respected himself, he respects the respectable. Business men are solicitous for the good opinion of the community in which they live; if from no higher motive than to promote their own business success, they, too, respect the things that are respectable. The lawyer recoils from unprofessional conduct which might bring him into disgrace, and the criminal conceals his crimes from the public as much from dread of contumely as from fear of imprisonment. Both respect what is respectable. Clergymen conform to the same rule. They seldom venture to preach what might disturb the standards of respectability to which they are accustomed. Even devoted reformers, prophets of new truths, are not wholly

free from temptations to respect the things that are respectable. Nor can they be blamed. Physical martyrdom could hardly add to the bitterness of that martyrdom of mind which sensitive men and women undergo in testifying to truths not yet generally respected.

This tendency to respect the respectable is not wholly selfish. It derives a strong impulse from the desire to live righteously—a beneficent influence which loses its way under the treacherous guidance of the idea that whatever is respectable must be right. But whether prompted by that impulse, or only by self-seeking, the tendency is dangerous and the precept pernicious. A precept which teaches us to respect the respectable, makes respectability the test of truth, reputation the test of character, clothing the test of the man. All these standards are false. Though outer form often indicates inner substance, form is not substance. It frequently differs from it so radically as to have suggested the significant simile of "a whited sepulchre full of dead men's bones."

This discord between moral substance and respectable form is almost invariable with reference to the more vital matters of human concern. Probably no elemental moral truth ever has or ever will come into the world in respectable garb. When such a truth becomes clothed on with respectability, its essential character is almost certain to have decayed within the folds of its outer garments, which have taken their shape from its original form but are now all hollow within. To make a point of respecting the respectable is to prefer non-essentials to essentials and to ignore eternal truths. No one who makes it the rule of his life can keep his heart "wide open on the Godward side."

When He whose incarnation is celebrated at Christmas

time came into this world of ours, the Living Truth in human shape, men of that generation who respected the respectable had no respect for Him. Of humble birth; as a babe, cradled in a manger; in infancy, hunted for slaughter; in youth, confounding the learned; in manhood, working at a mechanical trade; during His mature life associating with outcasts; regarded by the pious as a blasphemer; and dying the ignominious death of a convict —throughout His whole career, Jesus of Nazareth exhibited none of the qualities of contemporaneous respectability. Even to-day the respect of the respectable is paid, not to Him, but only to his image. So every new manifestation of truth is humbly born; it, also, is cradled in some manger; it, too, is hunted down in infancy; in its youth it, likewise, confounds the learned who respect the things that are respectable; it is nurtured by the lonely and the outcast; it has its crucifixion and its resurrection; and at last its images become respectable, and are worshipped by those who respect the respectable. That has been the history of all elemental truths—economic, moral, and religious, as well as political.

> O Truth! O Freedom! how are ye still born
> In the rude stable, in the manger nursed!

Need it be so any longer? May we not reasonably hope that the time is near at hand when mankind will resist the temptation to respect and to inculcate respect for things that are merely respectable, and in place of this image-worship learn to respect and to teach respect for the things that are true?

PART THREE

BUSINESS LIFE

Strange is the game the world doth play—
  Rouge et Noir, with the counters gold!
Red with blood and black with sin;
Few and fewer are they that win
  As the ages pass untold.

—Charlotte Perkins Stetson.

When John on Patmos looked into the New
Jerusalem, he saw a wondrous thing;
The streets of that fair city were all paved
With that which earth most dear and precious holds—
With purest gold, o'er which the happy feet
Of all the habiters of Heaven went up
And down. So might not this declare for us
The proper place of gold in that Society
Whose frame to-day we strive with so much toil
To shape according to our Vision's plan?
A place of use, in truth, on which to build
And act; only for use, to walk upon,
To smooth the way to worship and to work?

But we, in earth's old manner, straight
Reverse this use and fight God's good intent.
Instead of making pavements of our gold,
We beat it out and hammer it into
A dome, and raise it up into a sky
Above our heads. And then, because we can
No more behold the stars, nor can the sun
Shine through; because earth's furious furnace-heat,
Reflected, burns to dust our heart's sweet flowers;
Because our lives begin to pale and faint
Within the twilight we ourselves have made,
We bitterly complain to heaven, and cry
That no kind Providence has planned the world.

—Orville E. Watson.

Peace between Capital and Labor, is that all that you ask?
Is peace, then, the only thing needful?
There was peace enough in Southern slavery.
There is a peace of life and another peace of death.
It is well to rise above violence.
It is well to rise superior to anger.
But if peace means final acquiescence in wrong—if your aim is less than justice and peace, forever one—then your peace is a crime.

—Ernest Crosby, in *The Whim.*

What shall I do to be just?
What shall I do for the gain
Of the world—for its sadness?
Teach me, O Seers that I trust!
Chart me the difficult main
Leading out of my sorrow and madness;
Preach me the purging of pain.

Shall I wrench from my finger the ring
To cast to the tramp at my door?
Shall I tear off each luminous thing
To drop in the palm of the poor?
What shall I do to be just?
Teach me, O Ye in the light,
Whom the poor and the rich alike trust;
My heart is aflame to be right.

—Hamlin Garland.

CHAPTER I

HONESTY THE BEST POLICY

STRICT observance of moral principle is the natural condition of business success. It would be indispensable if industrial life were normal. Immorality in business would then be as fatal to business success as immorality in society is to social standing. Even as things are, with industrial life thoroughly demoralized by abnormal institutions and discriminating laws, moral principle in business conduct is essential to business prosperity in general, and to individuals it is not without its advantages. There is profound truth in the maxim, "Honesty is the best policy." So vital is it that even thieves are obliged to recognize it among themselves. In normal conditions, with the currents of social and industrial life undisturbed by laws creating industrial privileges and unfairly distributing industrial power, this thrifty maxim would be universally and absolutely true.

But if the morality of honesty were to be determined only by that empirical test, a great deal might be said in defense of theft. It is, indeed, doubtful if the right or wrong of honesty would be settled yet, were the issue dependent upon the question of better or best, to be determined experimentally. We should have great empiricists asserting, as they do of slavery, tariff protection, land monopoly and the like, that theft is right or wrong according to time, place and circumstances. The human mind is incapable of grasping, measuring, comparing,

and drawing correct moral inferences from the infinite complexity of facts and interests that would be involved. The field of experiment is too wide, the period of investigation required is too long, the facts are too numerous and complex and too often obscure, the interests are apparently too diverse, the causes and effects are too subtle, to admit of the solution experimentally of even the simplest moral problem.

To persons who believe in an omniscient and beneficent Providence it makes no difference whether conduct is guided by moral principle or by really sound policy. Since moral principle is to such persons only another phrasing for divine adjustment, and as all who believe that God is infinite in beneficence and perfect in wisdom must of necessity believe also that whatever is in harmony with eternal moral principle will prove to be experimentally the best policy, there can be to them no practical choice between eternal moral principle and wise expediency as guides to social adjustment. The one guide as well as the other would, in their estimation, lead to the same goal. But these persons—let us call them "theists" for short—nevertheless prefer moral principle to wise expediency as the moral standard, for they recognize the impossibility of distinguishing, merely by means of experimental tests, between right and wrong in the sphere of morals. They, therefore, cling to those broad moral principles which, so far at least as has been discovered, are perceived intuitively, as the eye perceives material objects. These once apprehended, the rest is a simple logical process of which any sane mind is capable. Intuitively grasping, for instance, that great moral axiom upon which the legal right of self-defense is securely founded, the axiom that every man has, as against the aggressions

of every other man and of all other men combined, the right to himself—grasping that axiom, the theist has possession of the key to all moral problems involving human rights and duties.

I call him a "theist." But that is only for convenient distinction. There are those who thus approach moral questions from fundamental moral principle intuitively perceived, who would disclaim being theists. They are, however, properly enough classified as such, even though they deny a divine personality, for they acknowledge moral truth as absolute. That is the essence of theism, and it distinguishes them from atheists.

The atheist is not best described as one who denies the existence of a personal God. Many a fervent worshipper of God as a personal being, is an atheist nevertheless. Atheism consists essentially in the denial of absolute moral principle—in the assertion that there is no such thing as an axiom of moral right, but that moral questions are to be determined by considerations of expediency ascertained by experiment.

Thus defined, atheism has, indeed, but a slight hold upon moral teachers when they concern themselves with private or personal conduct. The business man who should put sand into his sugar or water into his stock or forgery into his commercial paper, and defend himself upon grounds of expediency, would have to hunt far and long for a teacher of moral philosophy who would listen patiently to his empirical justification. Of any personal delinquency like that, the teacher of moral philosophy would promptly say: "I don't believe it is truly expedient, either for you yourself or for the rest of the community; but you need not put yourself to the trouble of trying to prove it, for I regard your act as simple rob-

bery—as a mere mask under cover of which you deprive another, without his free consent, of what by moral right belongs to him and not to you." That is what any teacher of moral philosophy would say of a case of individual turpitude. And he would be likely to say the same of a proposition to abolish some social institution, upon the probable perpetuity of which men had invested money. You might argue till the crack of doom the expediency of abolishing such an institution, and the manifest inexpediency either of perpetuating it or of buying out its beneficiaries, without so much as securing his attention. His one reply would be: "Moral principle demands that society perpetuate the institution or compensate those who lose from its abolition." But asked about the moral right of society to *maintain* institutions which enable some men to prosper upon the fleecings of others—slavery, or tariff protection, or land monopoly, for instance—many a modern expert in moral philosophy would promptly fly the moral track. He would then tell you that there is no such thing as moral right in social matters, except as public expediency may be so regarded!

This theory of social morals, so convenient a buttress for the indefensible legal fiction of "vested rights"—which are either rights whether "vested" or not, or being wrongs gain no righteousness from being "vested"—has been thrown up by that wave of "scientific" atheism which gathered volume some years ago in the universities of Germany, and now, when it is said to be subsiding in the place of its origin, floods the universities of England and America and finds an outlet through our public schools. It came too late for the anti-slavery agitation. Apologists for slavery, therefore, were forced to meet the slave issue upon the basis of the moral principle of

human rights. This they did sometimes upon the hypothesis that "niggers are not humans," and sometimes by the logic of tar and feathers. They had not yet learned from high "scientific" authority to defend their "peculiar institution" in respectable moral disorder, with the atheistic theory that there is no such thing as right except as we learn from experience what is better or best.

Little, however, as these "scientists" suspect it, to set up better or best as a moral test is virtually to acknowledge what they regard as an opposing principle, the principle of absolute right. It is to imply that there are standards of right toward which we can advance, even though we advance only experimentally, as we do toward absolute right in physics. But the empirical cult in morals make no such actual acknowledgment. They insist not merely that experiment is the only road toward right, but that its results from time to time are at once the only right we know and the only right there is. In other words, that by experiment we are not feeling our way toward moral righteousness but are creating it.

They profess inability to apprehend absolute right. That is their misfortune. Though absolute right is impossible of comprehension, it is not even difficult of apprehension. We all apprehend it in some degree when we respect another's title, in any given circumstances, to be done by as we under similar circumstances would ourselves be done by. Whoever resists temptations to steal, not from fear of disgrace or imprisonment or other superficial penalty, but because stealing is unjust—that person has an apprehension of absolute moral right.

Were one required to define absolute moral right, he might describe it as harmonious adjustment upon

the moral as distinguished from the physical plane of life. These two planes are distinct with reference to principles of right, each having its own peculiar adjustment or harmony. We can have an apprehension of perfect physical righteousness. The possibility or idea of physical perfection must exist or it could not be approached. Man is not a creator; he is an imitator. He does not design; he discovers. But he imitates or discovers imperfectly. Though he conceives of physical exactitude, physical harmony, physical righteousness, or whatever be the name he adopts for his recognition of the absolutely right on the physical plane, he can experimentally only approximate to it. And so it is on the moral plane. We conceive of moral harmony, moral exactitude, moral righteousness, though we cannot realize the ideal experimentally.

This is illustrated in the maxim already mentioned—"Honesty is the best policy." The latter part of the maxim has to do with expediency, with a lower range of harmony; but the first part carries us into the realms of absolute righteousness. In its broadest signification, honesty is moral exactitude, moral perfection, moral righteousness. It is a standard which we cannot realize but to which we can approximate. And the lesson of the maxim is that the nearer we approximate to this harmony of moral righteousness, the nearer also shall we approximate to the lower harmony of physical prosperity.

It is a splendid maxim of idealism. It reverses the notion of the empirical moralist, that whatever is experimentally best is morally right, and implies that whatever is morally right will prove to be experimentally best.

To appreciate the great significance of the maxim, let it be turned upside down, as the experimentalists are try-

ing to do with moral philosophy. Suppose that instead of saying, "Honesty is the best policy," we should say, "The best policy is honest." What kind of morality would that inculcate?

CHAPTER II

JUSTICE OR SACRIFICE

EVERY moral relationship is subject to one or the other of two great elementary principles—justice and sacrifice. There is no exception. In so far, then, as business is not unethical, it must conform either to the natural law of justice, or to what is called the spiritual law of sacrifice. To the extent that it is conducted in disregard or defiance of both, it is without ethical basis.

Sacrifice consists in giving without reference to getting. That it has a legitimate place in human affairs is not to be questioned. It certainly has a legitimate place when social conditions are disordered. Some must then sacrifice, that order may be restored. History is full of noble instances. Nor can it be said that sacrifice is without its place in orderly conditions, for giving without reference to getting is one of the characteristics of family life. But the question often recurs whether it ought not also to be characteristic of business life.

There is cause for that question. Though wealth is abundant, and wealth-producing power emulates Omnipotence, degrading poverty and the more degrading fear of poverty are distinguishing characteristics of civilized life. Instead of lifting all to better conditions of opportunity, man's triumphs over the forces of nature enormously enrich a few at the expense of the rest. They have done little to increase the comforts of the toiling masses even absolutely, but much to diminish their comforts relatively; and industrial liberty they have

almost destroyed. The gulf between riches and poverty has not been filled in; it has been widened and deepened and made more a hell than ever. So dreadful is the poverty of our time felt to be, that it has inspired all of us with fear of it,—with a fear so terrifying that many more good people than would like to acknowledge their weakness look upon the exchange of one's immortal soul for a fortune as very like a bargain. Such unwholesome circumstances make men ask of one another with growing eagerness: "Am I not my brother's keeper?"

Three answers to the question may be heard.

There is the answer of Cain as the slayer of his brother. It comes from those strenuous mortals who, denying that their brother has rights, acknowledge no duties toward him. They answer promptly and sharply: "No! I am not my brother's keeper. Let him prove his right to survive by surviving. The law of the universe is neither sacrifice nor justice; it is power."

Another answer is in spirit like the first; but instead of being strenuous it is hypocritical. It comes from professional philanthropists and their parasites, and from statesmen who seek conquest in the name of humanity; men who, while denying that their brother has rights which they are morally bound to respect, profess an obligation of charitable duty toward him. In oily phrase they answer: "Yes; I am my brother's keeper. It is my pious duty, a burden from which I must not shrink, to do him good and regulate his life."

The third answer, like the second, is affirmative. But it is not hypocritical, nor is it inspired by sentiments of conventional philanthropy. It comes from devoted men and women. Seeing and often sharing the impoverished condition of multitudes of willing workers in a society

where wealth abounds and may be multiplied indefinitely, and attributing this impoverishment to industrial competition, they conceive of sacrifice for the brother as an ever present and normal duty, and forecast an industrial regime from which "unbrotherly competition" shall have been excluded.

The social ideal of this class may be expressed in the familiar though much abused formula: "From each according to his ability, to each according to his needs." But this familiar formula is not to be interpreted in the familiar woodeny way. To each according to his needs does not necessarily mean to each according to his selfish desires. It may just as well mean, to each according to what is necessary for his greatest usefulness. And in some form of phrase or other, such is the interpretation which most if not all believers in the formula give to it. The essential idea is not selfish getting but unselfish giving, not greed but sacrifice.

But that ideal does not bear examination any better than its opposite. Sacrifice is as far out of equilibrium in one direction as greed is in the other. Not sacrifice, but justice, is the law. This is a natural law—a law of human nature. It is one phase of the general law which governs all human activity, namely, the law that men seek to satisfy their desires, be they good or bad, in the easiest known way. That general law is the only rule whereby industrial equilibrium can be produced and maintained, so long as the element of self-interest in measurable degree persists in the world; and competition, if left naturally free, and not made jug-handled by legislative schemes for resisting it, would maintain this equilibrium. Competition is truly, as some one has expressed it, "God's law of coöperation in a selfish world."

With competition free, everyone in normal mental and physical health who produced in proportion to his ability would share in proportion to his needs. For when we consider the principle of the inter-changeability of labor, no healthy man's necessities can exceed his ability to produce. His desires may, but not his needs.

Idle and luxurious people often say they were born to be served, and under a self-sacrificing regime there would be no way of telling whether they might not be right. The queen bee is useful in the hive; why not they possibly in society? But free competition would furnish an infallible test. If that prevailed, they would be served in the degree that they rendered acceptable service, neither more nor less.

To reflect at all upon the principle of the inter-changeability of labor is to see that the relationship of abilities to needs is held in equilibrium by free competition. While, for illustration, a hatmaker might not be able to satisfy his legitimate needs as to shoes with his skill in shoemaking, he would be able to do so with his skill as a hatmaker, provided exchange were unrestricted. So a philosopher, a preacher, an actor or a teacher might fall very far short of satisfying his common needs, if he had to make the needed things themselves; but if he were really useful to his brethren in his own vocation, he would have no difficulty in satisfying those needs by exchanging his labor for theirs. His income of service would be in proportion to his expenditure of ability, and that is the industrial equilibrium. It is interference with competition, not competition itself, that unbalances industry and thereby brings about social conditions which give plausibility to the theory that we ought to work for one another regardless of a return of work.

That theory is fundamentally unsound. "He who will not work neither shall he eat." This correlative of the golden rule, which commands not sacrifice but reciprocality, is good gospel. And whether we become our brother's keeper upon the philosophical principle of giving without getting, or become so in the patronizing spirit of conventional philanthropy, we lead on to the same goal. By making ourselves our brother's keeper in the sense of relieving him of his individual responsibilities, we pursue a course that must inevitably eventuate in our invading his individual liberties. He who adopts a policy of perennial sacrifice for his brother man, of sacrifice as a normal social principle in contradistinction to sacrifice in emergencies, has but taken the first step in that policy of repugnant philanthropy which begins with doing our brethren good and culminates in tyrannically regulating their lives.

Sacrifice is not brotherhood. There are circumstances in which it is neighborly. There are emergencies when it is noble. Even conventional philanthropy has noble aspects. Not so, however, with sacrifice as a universal rule. At its best it implies a benevolently inverted conception of the laws of social life; at its worst it is a form of unmixed selfishness. The principle of sacrifice is not a principle of brotherhood. Self-love sacrifices; brotherhood is just.

The story of Cain, to which advocates of sacrifice recur, proclaiming as its moral that we are our brother's keeper —even that old story, coming down to us from the childhood of the race, coincides with the golden rule of the Nazarene in identifying brotherhood with reciprocality, with justice, with correlated rights and duties, and not with officious or sacrificial care-taking.

We need not approach the story of Cain in superstitious or pious mood. Wholly apart from the reverence that imputes a sacred character to everything between the lids of the Bible, this story is worthy of serious thought. As with so many of the old stories and so few of the new, it contains a share of elemental truth. This is the truth to which we have alluded as of especial value in this era of agitation against social maladjustments. The truth it embodies is the very reverse of that which it is often lightly supposed to teach. The truth it does teach is that man is not his brother's keeper.

Disappointed at the cold reception of his offering to the Lord, and envious to the point of deadly hatred of the affectionate reception of his brother Abel's, Cain murdered his brother. The Lord knew he had done this murder. Cain knew that the Lord knew it, and knew, too, that there was no defense. By murdering Abel he had invaded one of Abel's natural rights—his right to live. It was no question of neglected charity, which his brother could not righteously demand; it was no question of withheld philanthropy, to which his brother had no moral claim; it was no question of refusing to sacrifice himself or part of himself for another to whom the sacrifice would have been a gift. It was a plain case of wronging his brother in respect of a right which his brother could morally assert. His delinquency had reference to no fanciful conception of duties divorced from rights. He had violated his duty because and only because he had assailed another's right.

Conscious of the wickedness of his crime, Cain resorted to tactics which have ever since been common with his kind. He made a false appeal to a true principle.

"Am I my brother's keeper?" he asked triumphantly,

when interrogated with the question which implied and which he knew to imply the Lord's knowledge of his crime. "Am I my brother's keeper?" The question called for a negative. None other could have been given by a God of justice, who is no respecter of persons. Cain was not his brother's keeper. Had he been his brother's keeper he must have been his brother's master. The terms are interchangeable. So at bottom are the ideas for which they stand. God makes no man the keeper of other men. Individual freedom is as plainly a divine command as is walking with the feet or eating with the mouth.

The law to which Cain appealed would have been his perfect defense to any accusation but injustice. But to that accusation it was not a defense. Though charged with no duties as the keeper of his brother, he was charged, as are all men, with the duty of respecting his brother's rights. It was because he had disregarded that duty that Cain was driven forth with the mark upon his brow.

Such is the lesson which the Cain and Abel story has for the lords and masters and philanthropists and reformers of all lands. "Am I my brother's keeper?" No! With emphasis, No! Not more than Cain was of Abel is any man his brother's keeper. But as upon Cain respecting Abel, so upon every man respecting every other, is laid the duty of conserving his brother's rights. There is no normal duty of charity, no normal duty of sacrifice, no normal duty of regulating a brother's life, no normal duty of serving him without expectation of fair service in return, no normal duty of any kind toward any man except as a correlative of some absolute right of his. Our brother has a right to live; therefore it is our duty not

to kill him. He has a right to labor and accumulate the products of his labor as private property; therefore, it is our duty to let him labor and not to steal from him. And when these and kindred rights are subject to the power of organized society, as they are now, it is our duty as best we can so to use our influence as to prevent any injustice through the operation of social institutions and laws, which it would be our duty to avoid as individuals.

The true gospel of social regeneration is this: "I am not my brother's keeper; but I am bound to respect and conserve my brother's rights." That is the gospel that will regenerate. No other will. It is the gospel of justice, and justice is the predominant law of brotherhood, the core of every sound system of business life.

By justice is meant the adjustment that morally balances. Applied to business affairs, it means giving and taking upon equal terms—taking as well as giving. It is "quid pro quo"; and for every "quid" there must be a quo," or justice fails—the moral balance is disturbed. Reduced to its final terms, justice in business means service in exchange for equal service. The business man must render full service for the service he receives, and he must demand full service for the service he renders. He would be obviously unjust, were he to get without giving; he would also be unjust, were he to give without getting. Justice in business is the exchange of equivalents. It is economic equilibrium.

Though it were conceded that sacrifice is more exalted than justice, nevertheless justice comes first in the natural order. Before any one can give he must own what he gives. It must be his as against all the rest of the world. No one can give what is not his own. He cannot sacrifice food or raiment or shelter unless he first earns it and

owns it. He must be able justly to say of it, "This is mine." If sacrifice be, then, the fruitage and foliage of spiritual growth, yet justice is its root—its necessary beginning. Social ethics can no more rest upon sacrifice than upon beggary. Social ethics must rest upon justice.

For that reason justice and not sacrifice must govern in business. For business is at the root of social affairs. Man lives not for business but by business. Business furnishes him the material things he requires to use, to keep, or to give away. Having earned these things in business, he is free to grow in spiritual grace by sacrificing them. But unless he first earns in business what he sacrifices for the good of his soul or the benefit of his brother, the sacrifice may prove to be a curse to both rather than a blessing to either.

Justice, then, is the particular moral principle in which business ethics are founded. Every ethical business rule which is not rooted in justice is false. And by justice, let it be remembered, is meant moral equilibrium—moral harmony. It involves both giving and getting. The business that does not give an equivalent in service for the service it gets, is a plundering business; the business that does not get an equivalent in service for the service it gives, is a plundered business. One is unjust as well as the other, and in the natural course of things either will produce disaster. The law of justice is as immutable as the law of gravitation. Even men who seem for a time to flourish upon injustice in business, sooner or later fall victims, in some way, to the very industrial disorder it creates.

This is clearly enough seen in connection with the cruder forms of injustice. Few grocers would expect in these days to prosper by "sanding" their sugar.

Shrewd commercial travelers hesitate now to overstock their confiding customers with goods. The more primitive methods of injustice in business, have become well nigh obsolete. It is in subtle ways that injustice now dominates business affairs.

Though business men do not "sand their sugar," they do seek and secure privileges under the law which enable them to exact in trade more service than they give. This is the same as "sanding sugar"—both morally and in its inevitably destructive effect upon business. The one, like the other, involves getting without giving on one side, and giving without getting on the other.

It would appear, then, that business ethics have a wider range than the counting room. So they have. Duties of citizenship are involved. Since legal privileges are derived from legislatures, every business man is under an ethical obligation to throw his influence into politics for the protection of business from the blighting effects of legislative favors. It is as much an affair of business to prevent legalizing privilege as to prevent "sanding sugar," and far more important.

Business ethics, whatever form the specific rules may assume, demand of business men—whether manufacturers, storekeepers, farmers, workingmen, or what not among the men who help make the world's living—that they exert all their power and influence to secure a reign of justice in the whole wide realm of business. Upon that rock business can be firmly established. Everywhere else is quicksand. There are no disorders in business, no mysterious disturbances in business, no booms with their succeeding depressions, no strikes and lockouts, no undeserved failures—there is nothing of which business men complain, that is not traceable to business

methods at variance with elementary justice. The only remedy is conformity to justice. When business men shall fully and practically recognize the principle that business cannot be honest, and therefore cannot as a whole continue to prosper, so long as legalized privileges enable some men to get out of business more service than they put in, thereby forcing others to put in more than they get out, then and not before will business methods be correct and business life be wholesome.

CHAPTER III

SERVICE FOR SERVICE

SO accustomed have men become to the association of elegant leisure with civilization that they realize only with considerable mental effort that civilization depends neither upon leisure nor a leisure class, but altogether upon interchange of work. Service for service is the condition of civilized life. It is this that gives us comfortable shelter and clothing, that keeps us supplied with food, that furnishes us with all our implements, and that enables us to accumulate knowledge and diversify skill.

Should we altogether cease serving one another, civilization would quickly collapse. Though men may live without serving, it is only through some degree of interchange of service that they can live civilized lives. The less intense and just this interchange, the lower the grade of civilization; the more perfect the interchange, both in its economic and its moral qualities, the higher the civilization it will generate and maintain. Service for service —in other words, wholesome business—is the central law of social development.

In the civilized state with which we of this generation are acquainted, most exchanges of service take the form of exchanges of substantial objects which have been shaped by human art—by work. Some exchanges are, indeed, of work itself. Barbers, physicians, teachers, some classes of household servants, actors, lawyers, and so on, do not shape substantial objects and trade them;

they render direct personal service. But most exchanges of service take the form of exchanges of artificial objects.

Exchanges of these objects, however, depend upon the principle of service for service. The objects are congealed or crystallized service. A familiar type is bread. By no immediate service alone could anyone furnish us with bread. The field must first be plowed and seeded, the mill must first be made and managed, and the flour must be baked in an oven that must first be built. When bread comes to the table, therefore, it is an embodiment of all the different kinds of service which have brought it there; from that of the farmer to that of the baker, from that of the miner and machinist to that of the transporter. And as with bread, so with all artificial things in the way of food, clothing, shelter, luxuries, and the artificial materials and machinery for producing them. They are products of labor, and in exchanging them we are essentially exchanging service for service, work for work.

Hardly less evanescent, nevertheless, are these things than direct personal service. Some kinds of artificial objects thus embodying service are quickly consumed, and even those that are lasting last but a little while—a month or two, a year or two, or possibly a generation or two. Though we often speak of saving, such things cannot be saved. The civilization of to-day rests not upon the saved-up products of earlier generations, but upon interchanges of service in this generation, and to a great degree in this year, or month, or week, or day.

It is often explained that the idle rich are living upon the accumulated savings of their ancestors. They live upon nothing of the kind. Imagine a rich young man as breakfasting upon toast which his great-great-grandmother had made, and eggs that his great-great-grand-

father had saved up! So far from his doing that, the toast and eggs he eats are those which some of his own fellow inhabitants of this planet have caused to come to him at this very time. Some of his brethren have rendered him a service by working for him, and if he renders in exchange no equivalent service for others with his own work, then, somewhere, sometime, in the complex circles of exchange, some one has to that extent given service for which he has not received service.

Service cannot be saved. Even when congealed in consumable things, it can be saved for only a little while. Society as a whole lives almost literally from hand to mouth. The work that is done to-day serves the wants of to-day. We cannot save it for future generations.

But individuals can and do save obligations to work. And this is what is really meant by saving wealth. Nor is such saving necessarily incompatible with the principle of service for service. If a farmer, for example, works a day for his neighbor in corn-planting time, with an understanding that the neighbor is to help him in harvest, he will in effect have saved a day's service from corn-planting time till harvest time. Or if a farmer delivers 100 bushels of grain to the storekeeper upon an agreement that he shall have its equivalent in dry goods upon demand, and he does not demand them for a year, he will in effect have saved the dry goods. Suppose, however, that instead of giving the farmer credit for his wheat the storekeeper pays him money for it, and that the farmer does not spend that money until the next year; then the farmer will in effect have saved the things he ultimately buys. But the storekeeper, instead of giving either credit or money, may give the farmer his note payable in a year, and by mutual agreement this note may

be renewed from year to year, until the farmer dies, leaving it to his son; and after successive renewals it may come to his grandson, to whom finally it is paid with money and the money used to hire a cook to toast bread and boil eggs. The principle will be the same. The service or goods so procured will in effect have been saved up through those three generations, though in fact the cook was not born until after the wheat for which the note was given had been consumed, nor the eggs laid until the day before they were served. In all these instances there is an exchange of service for service.

The fact that the service in one direction was rendered long before the service in the other, makes no difference. So long as all the processes of the transaction are voluntary on the part of all parties concerned, it is immaterial whether or not the exchange is concurrent. The essential thing is that when a service is rendered it shall be in exchange for an equivalent service, whether the equivalent service be rendered concurrently, or has been rendered in the past, or is to be rendered in the future. This is what constitutes service for service.

If all obligations to serve represented service rendered or to be rendered, there would be no volcanic rumblings in the development of civilization. No one could then complain of unmerited poverty, nor would any be undeservedly rich. For if each rendered service only as he received or had received or was to receive an equivalent in service, suffering from poverty would imply voluntary idleness, and the possession of great wealth would imply great industry and usefulness. It is an indisputable truth, however, that most of the obligations to serve which constitute the so-called wealth of the leisure classes represent neither service rendered nor to be rendered by the possessors, but only power acquired.

To illustrate this side of the matter, let us suppose a ten-dollar bill extorted by a highwayman from a workingman whose wages it is. The workingman had rendered service, and this bill was his certificate of title to receive service in return. But now he loses the power to demand that service. The robber has acquired it. So the workingman will have rendered ten dollars' worth of service without getting any service, and the robber will have gained ten dollars' worth of service without rendering any.

In that case the workingman is plundered in defiance of law. But there would be no essential difference if the law justified the act. There are instances in which the law does justify precisely such acts. The institution of slavery is one. A master's title to his slave is an obligation upon the slave to serve. He must serve as his master orders. The law compels him to. Yet he never has received and never is to receive equivalent service in return. As with the robbed workingman, the slave must render service without getting service, while his master gets service without rendering any. The principle of service for service is ignored. It is the same, though the process is more subtle, when private monopolies are carved out of public functions. When, for instance, the streets of a city are turned over to private corporations for street car purposes, and the corporations charge for fares more than could be exacted for the same service in competitive conditions, the excess is upon a footing precisely with the ten dollars extorted from the workingman in defiance of law, and with the labor extorted from the slave pursuant to law. To the extent of that excess the passengers are forced to render service without getting service, and the corporations get service without rendering any.

The most universal method, however, as it is the fundamental one, of getting service without giving service, through the enforcement of legal obligations to serve, is that of land monopoly. This method operates to effect the result in two ways: First, by extorting private compensation for the enjoyment of a common right; secondly, by abnormally lessening opportunities to use land, and thereby abnormally reducing the price of service.

All incomes from land—not from its use, but from the mere power of forbidding its use—are unearned. That is, they consist of services rendered by others for which no service is rendered in return. For no man can render his fellow man a service by "allowing" him to use land, any more than he can render him a service by "allowing" him to breathe. There is no service in either case unless it has been preceded by a commensurate injury. If an enemy grabs my throat and chokes me, he may indeed do me a service by then "allowing" me to breathe. But if he had in the first place respected my natural right to breathe, there would have been no need for his permission. To call such permission a service is to wrench language and trifle with thought. The same remark is true of the "service" of allowing men to use land, to which all men's rights are equal if there is such a thing as morality in the universe. It is only by previously divesting men of their natural right to land that they can ever be made to feel that permission to use land is a service. The principle of service for service demands that service by work shall be repaid with service by work. Nothing else satisfies it. Consequently rent exactions for private benefit as compensation for permission to use land are hostile to this principle. They enable the beneficiaries to that extent to get service without giving any, and therefore

compel others to give service to the same extent without getting any.

The system of land monopoly which thus enables land monopolists to get service without giving service, produces the secondary effect noted above—the effect, that is, of abnormally lessening opportunities to use land, and thereby abnormally reducing the price of service. This effect is infinitely more subtle and vastly more oppressive than the first, which consists merely in extorting private compensation for a common right; but upon a little reflection it will be apprehended. Through occasional phenomenal rises of some land in rent-yielding qualities, whereby some families have become very rich—acquiring thereby great power to exact service without rendering any—a craze for buying land and holding it for a rise has become chronic, in consequence of which the whole earth, though but slightly used, is almost completely monopolized. One result of this is to set the service-rendering elements of society into deadly competition with one another for opportunities to use the earth in rendering service. For use of the earth is necessary in all occupations. A city storekeeper, for example, requires more land for his business than a country farmer does for his—measuring the land by value. The inevitable effect of that competition has been to reduce the value of service, as compared with the value of opportunities to render service, until those who render it must invariably give more service than they receive. So the principle of service for service in society is turned topsy-turvy.

The two kinds of obligation to serve which I have thus attempted to distinguish—those that represent service and those that extort it—are commonly confused by the habit of speaking of all interchange or rendering of

service in terms of money. It is by money, that is, that we measure service, whether we measure it for purposes of exchange or for purposes of extortion. If we hire a man to work for us, or buy a consignment of goods, we fix the value in terms of dollars. We do the same if we buy a lot of land to hold for a rise or buy a slave to do our work. Yet in the one case the expression in dollars means that we are arranging to exchange service for service; whereas in the other it means that we are arranging to exchange a power of extorting service. The moral nature of the transactions is confused by the commercial terms in which both are expressed.

There arises, therefore, a feeling that money itself is in some sense an unholy thing. In some churches, for instance, collections are not taken up because the jingle of money in church is felt to be offensive. And in many churches where collections are taken, they are regarded as unavoidable evils; a sense of incongruity is often felt and sometimes expressed. Yet there should be no such feeling regarding money that has been earned by service. To drop such money into the contribution box of any society is to say: "I have done this much work for this cause and here is the certificate." But so much of the money that goes into contribution boxes represents not service for the cause, but extortion for the cause, that it is little wonder a sense of incongruity between money boxes and church worship is felt and expressed both within and without the churches.

Such is the kind of money that people would get were their wishes granted when they wish to be rich. To wish to be rich is to wish to be able to get service without giving service. It is therefore the most selfish possible wish. Yet it is often made in what purports to be a phil-

anthropic spirit. We sometimes wish we might be rich so that we could lighten the burdens of the poor. But why not wish that the poor might be rich so that they could lighten their own burdens? Zangwill's Jew understood this thing to a nicety. After praying the Lord to give him $100,000, upon his promise to distribute $50,000 of it among the poor, he added: "But, Lord, if you can't trust me, then give me $50,000, and distribute the other $50,000 among the poor yourself." It all comes back to the original proposition that obligations to serve are essentially of two kinds: those which certify to exchange of service, and those which certify to a legal power of extorting service. This distinction must always be kept clear.

Of the justice of the former species of obligation there can be no question. When men freely contract for an exchange of service, whether in the form of direct personal service or of substantial products of labor, or partly in one and partly in the other, the obligation of him who gets service to return its equivalent is a moral obligation. But the obligation which represents power to extort service without certifying to the rendering of service is immoral and must be condemned. If one gets without working, others must work without getting; and that is something which no school of ethics can frankly approve. It is essentially robbery.

The Bible also condemns it. That venerable volume commands us not to steal. It admonishes us, furthermore, to do to others as we would have them do to us, and to love our neighbors as ourselves—neither more nor less, but the same. And in it we are distinctly told that he who will not work shall not eat, a text which is frequently enough quoted against parasitical tramps but

seldom against parasitical millionaires. In fact the Bible is replete with condemnations of extortion of service. In this way only are its otherwise incomprehensible condemnations of the rich to be explained. For the rich, in the opprobrious sense, are not those who have much in the way of obligations requiring others to serve in exchange for service rendered, but those who have anything in the way of obligations to serve which do not represent service rendered.

As Henry George says:* "Is there not a natural or normal line of the possession or enjoyment of service? Clearly there is. It is that of equality between giving and receiving. . . . He who can command more service than he need render, is rich. He is poor, who can command less service than he does render or is willing to render; for in our civilization of to-day we must take note of the monstrous fact that men willing to work cannot always find opportunity to work. The one has more than he ought to have; the other has less. Rich and poor are thus correlatives of each other; the existence of a class of rich involving the existence of a class of poor, and the reverse; and abnormal luxury on the one side and abnormal want on the other have a relation of necessary sequence. To put this relation into terms of morals, the rich are the robbers, since they are at least sharers in the proceeds of robbery; and the poor are the robbed. This is the reason, I take it, why Christ, who was not really a man of such reckless speech as some Christians deem him to have been, always expressed sympathy with the poor and repugnance of the rich. In his philosophy it was better even to be robbed than to rob. In the kingdom of right-doing

*"*Science of Political Economy*," Book II, Ch. XIX.

which he preached, rich and poor would be impossible, because rich and poor in the true sense are the results of wrong-doing. . . . Injustice cannot live where justice rules, and even if the man himself might get through, his riches—his power of compelling service without rendering service—must of necessity be left behind. If there can be no poor in the kingdom of heaven, clearly there can be no rich! And so it is utterly impossible in this, or in any other conceivable world, to abolish unjust poverty, without at the same time abolishing unjust possessions. This is a hard word to the softly amiable philanthropists who, to speak metaphorically, would like to get on the good side of God without angering the devil. But it is a true word nevertheless."

Verily it is a true word. If the extortion of service is to be abolished and the world left free to exchange service for service, then those obligations to serve which represent naked legal power and not service rendered, must be unconditionally abolished. To pay their beneficiaries for their loss of extorting power would be merely to substitute one form of extortion for another. Whoever is rich because he possesses legal power to compel the rendering of service without rendering or having rendered therefor an equivalent service, must in justice lose that power. So long as he retains it the natural law of service for service cannot operate. It is only by his losing his power to extort service that others can be restored to their right to exchange service.

And this restoration is necessary, not only in fairness to the wronged, but for the general good. As Ruskin said in his lecture on "Work," "the first necessity of social life is the clearness of the national conscience in enforcing the law that he should keep who has justly

earned"; a law, he added, and as George more fully explains, which "is the proper distinction between rich and poor." *

* John Z. White, the well-known American Single Tax lecturer, rightly insists that it is legal power to extort service, and not land hunger, that causes land monopoly. "Land monopolists have no hunger for land," says Mr. White; "they wouldn't take land for a gift if there were no law under which they could prohibit its use. What they desire is legal power to extort labor from others. This power they get, under existing institutions, through the medium of land ownership, which is their only reason for acquiring land. Being empowered by law to exclude producers from land, they are thereby able to force producers to surrender a share of their products for mere permission to produce. This is all there is to land monopoly. It is nothing but legal power to extort."

CHAPTER IV

GREAT FORTUNES

NO very great fortune is just. This remark does not refer to tainted fortunes alone. It refers also to those that are morally clean, so far as any act of the possessor is concerned. The allusion is to the character of the fortune, not to the character of its possessor. Specifically it is an allusion to the fact, and fact it is, that no great fortune can be accumulated or perpetuated by any man without his thereby contributing, however unintentionally or unconsciously, to the continuous impoverishment of other men. For great fortunes consist chiefly of the market value of legal powers of extortion.

These fortunes certainly do not consist of money. When men speak of great accumulations of money, they speak in metaphor. Neither do such fortunes consist of existing wealth. By wealth is literally meant things drawn forth from natural sources by labor—that is to say, things of which the substance is natural, the shape or location or both being artificial. Of that class are clothing, buildings, food, ornaments, and all the great variety of objects which human art produces for the satisfaction of human desires. Those things, actually existent, go in only comparatively slight degree to make up great fortunes. When, therefore, men speak of great accumulations of wealth, they also speak in metaphor. What they mean is accumulations, not of existent wealth produced in the past, but of legal power to command

possession of wealth as others bring it into existence in the present and future.

Deprive the richest man of all his fortune except his actual tangible wealth, his existing labor products, and by comparison he would have but little left. Nor would he have that little long, if he were wholly divested of his powers of exacting labor from others without expending his own labor in exchange. His accumulated labor products would soon go back to external nature whence they came. Great fortunes consist then for the most part, not of the completed products of past labor, nor of money, but of legal powers to exact tribute from present and future labor.

These powers may, indeed, be entirely honest and just. This is shown in the preceding chapter, but a further word here will be pardoned, even if it seem to be a repetition. If, for example, in exchange for work done by him to-day, a man receives evidence of authority to exact an equivalent in work at any time in the future, his exaction of that equivalent at his own pleasure will be honest and just. Such is the nature of a transaction in which money is paid for work. The money is evidence of just authority to exact future work. It would be the same in principle if for present work a promissory note, or bond, or other personal obligation to do work in the future were given. In all such instances the transaction is at bottom an exchange of present work for future work. If great fortunes could be made up of powers over future labor like these, then great fortunes could be honest and just.

In fact, however, great fortunes consist chiefly of powers of a very different kind over future labor. The London *Spectator* once furnished an instance when it con-

demned the process, "well known in America, of 'freezing out.'" It gingerly hinted at still another such power, the primary one of all, when it insisted that it is possible for some people to have more of anything without others having less—"except land." By means of such powers over future labor the wealth-producing persons in human society are forced to part with portions of their wealth, as they produce it, to non-producing persons. They are compelled to give up not merely of what they have produced in the past, but also of what they produce now; and they are forced to look forward to a continuing payment of tribute upon all that they shall produce.

Analyzed to the last, these powers are nothing but powers of taxation for private purposes. Whatever any one gets by foresight, ingenuity, skill, industry, patience, determination, or any other quality so applied as not to add to the aggregate wealth or to increase in some way the aggregate comfort, he gets at the expense of others. It is a private tax. What he gains they must lose. And although he be individually honest, the laws, customs or institutions that enable him to thrive in leisure upon their earnings, are predatory and therefore in morals criminal.

Granted that anybody can get rich if he tries. Granted that nothing is needed but foresight, ingenuity, skill, industry, patience and determination. Granted that everybody possesses or can develop those qualities to the necessary extent. Granted that opportunities are abundant for turning them to account. Granted, in a word, that what he asserts who insists that getting rich is only a matter of the will, is true. Grant it all, and still a question remains which impeaches the righteousness of every great fortune and throws a doubt upon the deservedness

of poverty even in extreme cases like those of the tramp. It is the crucial question by which our religion, our morals, our civilization, are to be tried. It is the test question of our social system, and these are its terms: Can anybody get rich, under existing industrial conditions, without thereby helping to make others poor?

There is but one answer and that is, No!

The great fortune that rests chiefly upon powers of taxation for private purposes, cannot be honest or just or fair in any other than a bare legal or conventional sense. The annual unearned income of wealth which it brings to its possessor must necessarily involve a correspondingly unrequited outgo to wealth producers. Since this Crœsus does not earn the wealth he annually exacts from current production, but takes it by virtue of legal powers that are in their nature powers of private taxation, his gain can be balanced off only against others' loss. It is absolutely true, therefore, that as he has so much, others must have less. It is even worse. Not only do the others have less in comparison with what he has, but they have less in comparison with what they actually earn.

This is not to say that the possessors of fortunes so founded are themselves dishonest or unjust. If they conform to the conventional moralities of money getting, they cannot be charged with personal dishonesty. The dishonesty in such cases is social, not individual. Against them the indictment that lies is not that they are despoiling their brethren, but that they do not use their influence to put an end to the industrial disorder which does despoil their brethren.

It may be true enough that great millionaires are strictly honest in all their personal transactions. At any rate that may be cheerfully conceded. But upon exam-

ination it will be found that their fortunes consist of some great taxing power. Such a fortune has no moral basis, even if acquired by what may be called fair means and what by custom really is fair means. Though the beneficiaries of these unearned incomes be exonerated from moral responsibility for taking them, since there is no individual way of determining the true ownership, they are not excusable for buttressing the system of extortion which creates unearned incomes, nor even for being indifferent to efforts to reform it. Neither can they shelter themselves from moral responsibility by managing their unearned incomes for benevolent purposes, while ignoring the momentous moral fact that the incomes are unearned.

Morally false and logically fallacious is the common notion that society is concerned only with the uses to which fortunes are put, and not with the methods by which they are accumulated. Let society recognize the moral necessity of abolishing powers of private taxation, to the end that all fortunes may consist of the possessor's earnings in place of his powers of levying tribute upon current industry, and we need not concern ourselves with the uses to which men put their fortunes, provided they are not criminal uses. This is their business and not ours. In social as in individual ethics, the question of just acquisition precedes all questions of expenditure, benevolent or otherwise.

PART FOUR

ECONOMIC TENDENCIES

A great change is going on all over the civilized world similar to that infeudation which, in Europe, during the rise of the feudal system, converted free proprietors into vassals, and brought all society into subordination to a hierarchy of wealth and privilege. Whether the new aristocracy is hereditary or not makes little difference. Chance alone may determine who will get the few prizes of a lottery. But it is not the less certain that the vast majority of all who take part in it must draw blanks. The forces of the new era have not yet had time to make status hereditary, but we may clearly see that when the industrial organization compels a thousand workmen to take service under one master, the proportion of masters to men will be but as one to a thousand, though the one may come from the ranks of the thousand. "Master"! We don't like the word. It is not American! But what is the use of objecting to the word when we have the thing?

—Henry George, in *"Social Problems,"* Ch. V.

CHAPTER I

DEPARTMENT STORES

WHEN men specialize their work, each making only part of the things he needs, exchange is absolutely necessary. If one man, who wants food, clothing and shelter, devote himself wholly to food-making, depending upon others for his clothing and shelter, the only way in which he can obtain clothing and shelter is by offering his surplus food in exchange for them. Inasmuch, then, as in civilized countries all work is specialized, each man making only one—indeed, only a small part of one of the many things he wants—exchange is necessarily a universal phenomenon of civilized life. We all live through trading. But the natural conditions of trading do not permit each maker of one thing or part of one thing to trade his product directly with the makers of the products he desires. This is prevented by a great variety of obstructions. Not least effective among them is the impossibility of any one man's having a sufficiently extensive personal acquaintance. Various devices are therefore invented to facilitate trading, and chief among them is storekeeping.

The storekeeper makes a business of collecting at one point in a neighborhood all the different kinds of things, wherever in the world they may be made, that are ordinarily required by the people of that neighborhood. He collects these things at that point, in the quantities and at the seasons that best enable him to accommodate local wants; and he trades them upon demand for the limited

variety of things which the people of that neighborhood make. He may take money instead of truck from his customers, leaving them to get the money by selling their truck elsewhere. This is the more usual method now, though truck stores still survive. But that makes no difference. The essence of the matter is this, that the world-wide system of storekeeping enables the makers of particular things or parts of particular things anywhere to trade them everywhere for the things they want. It is a system, that is to say, which binds the whole civilized world together in a commercial relationship.

In the evolution of storekeeping there have grown up two kinds of stores, the wholesale and the retail. Of each there are numerous grades, some of which assume distinctive names, but these two are the grand divisions. Wholesale storekeeping consists in collecting and storing for the accommodation of retailers, while retail storekeeping consists in collecting and storing for the accommodation of consumers.

The compensation of storekeepers is estimated in what are called "profits." When a storekeeper has collected goods in his store for the accommodation of those who buy of him, he charges for the goods a higher price than he has paid. The difference is his "profit." But out of that "profit" he must pay all the expenses of his business, including compensation or wages for his own work. "Profit," therefore, is not a distinctive term.

For the present purpose it is unnecessary to consider wholesale stores particularly, but we shall find it helpful to illustrate crudely the principle that determines the distribution of retail stores over a country.

If we imagine a small community at some distance from a trade center, a community without a store, we

shall have no difficulty in understanding how the people there would do their trading. To some extent peddlers might serve them. But they would often be obliged to go to the distant trade center for the purpose of selling products and buying supplies; for the purpose, that is, of trading the few kinds of things which they make and others want, for the many kinds of things which the rest of the world makes and they want.

This journey, if infrequent, might be an excuse for a holiday. But if local needs made its frequent repetition necessary, it would become part of the regular duty of each family; and so, instead of being a welcome excuse for a holiday, would be work. And not only would it be work, and irksome work, but it would interfere with other work.

At that point, the natural desire for economy suggesting some improvement, it is easy to imagine that the different families might hire some one to make it his especial duty to "go to town" as a truckman for all the rest, delivering what they sent and buying what they ordered, they paying him wages. That has not been an unusual arrangement in such circumstances.

This arrangement could not continue long without the truckman's discovering, if he were bright, that by laying in a stock of staple articles, he might satisfy the requirements of his employers and yet economize his own labor; and he would consequently see the wisdom of proposing a modification of his arrangement. Instead of often driving back and forth to the distant town, carrying goods either way for wages as a hired man, he would offer to open a local store, where he would buy local products outright, and also keep on hand at all times a stock of goods from which his neighbors could satisfy

their wants. If he did this, he would be serving his neighbors in his capacity of independent storekeeper, precisely as he had served them before in his capacity of hired truckman. But they would now be better served, and he would get his pay no longer in wages but through the "profits" of buying in a cheaper and selling in a dearer market.

It is to be understood that the foregoing example does not illustrate literally the origin of local stores, but that it is intended to concentrate attention upon the fact that the local storekeeper saves his neighbors the necessity of going or sending to a distant place to trade. Essentially he is their servant. They buy of him because it is more economical and satisfactory to allow him his "profit" than to do for themselves or through hired truckmen the work which he does for them.

It is for their accommodation, therefore, and not primarily for his own profit, that his store is patronized. Consequently, if another storekeeper undertakes to accommodate them just as well, and they buy of him, the first storekeeper can offer no reasonable objection. His neighbors are not under any obligation to allow him a better income for doing their storekeeping than some one else is willing to do it for.

The same principle applies when an enterprising store in the distant city offers to receive orders by mail and to deliver goods daily at lower prices than the local storekeeper demands. What objection can he urge to that, even if it drives him out of the storekeeping business? None. His store is a local convenience, nothing more; and when a greater local convenience supersedes it, it has no longer any reason for being.

With the understanding, then, that a storekeeper, in

his capacity of storekeeper, is only a servant to his neighbors, and that when for any reason his service costs them more than equally good or better service can be had for, it is no longer a service but a burden—with that understanding clear, let us advance from a consideration of the principle of storekeeping in general to the business of storekeeping in and about the region of department stores, and from imaginary to actual conditions.

In American cities and their suburbs a vast number of retail stores have sprung up and flourished. The particular circumstances of their origin are immaterial. They came because their projectors believed that the people in their respective localities needed them, and they flourished because they enabled those people to satisfy their store wants economically—more economically than in any other way.

But now appear the department stores. These keep in stock or store all kinds of goods, from testaments to playing cards, from soda water to whisky, from a paper of pins to a bicycle, a piano or a set of furniture. Almost anything you want you can get here, in any quantity, and at prices which are not only lower than ordinary retail prices, but lower than ordinary retailers themselves can buy the same goods for from the manufacturers. Inevitably, therefore, the department store must be prejudicial to the business of all ordinary retailers, and destructive to the business of many.

So it is not remarkable, in times when business clamors for Congressional and other legislative protection, that small retailers should put forth pleas for protection by legislation from the encroachments of department stores. But is legislative protection really possible? Reflection should satisfy any one that it is not.

It is not department stores but retail buyers that close small stores. What the department stores do is to offer goods at low prices, and buyers do the rest. If department stores are really, all things considered, more economical and otherwise satisfactory than small retail stores, the people will keep on buying at them; and no law that either is or ought to be constitutional can stop it. If they are really economical it would be as futile to attempt to legislate against department stores in the interest of small stores, as to legislate against railroads in the interest of canal boats or stage lines, against electric cars in the interest of hack drivers, against steamships in the interest of sailing vessels, or against labor-saving machinery in the interest of trades unions. The economical instinct is too potent a force for any restrictive legislation long to resist.

On the other hand, if department stores are in fact not more economical than small stores, no legislation is necessary. They may last a little while as a fad; but unless they really do economical service for consumers, consumers will soon forsake them.

The question is wholly one of economy; wholly a question of saving labor. It is another form of the question of labor-saving machinery. What small storekeepers complain of is the same thing in essence that printers complained of when the type-setting machine displaced so many of their number. The cry of pain which the small storekeeper emits merely shows that the labor problem is pinching him for a solution, and that the problem is by no means so funny nor its solution so simple as he thought when it only pinched "workingmen." Being a question of economy, this department store question must be settled, like all other phases of the labor question, not

by legislative restrictions upon the economical instinct of any men, but by giving to that instinct in general unobstructed play.

Not alone is it true that legislation cannot suppress department stores if they are a genuine advance in the direction of economy; it is also true that legislation ought not to be used for that purpose even if it would be effective. Such legislation would be in essence legislation against buyers, to prevent their economizing. That is a purpose for which legislation cannot be rightfully used. It would be legislation for the purpose of forcing the community to support men in a business which has ceased to be serviceable. That, also, is a purpose for which legislation cannot be rightfully used. No man, no class, has the moral right to invoke the law-making power to maintain a business which the people if left to themselves would refuse to support. The law-making power that responds to such a call prostitutes its functions.

Would we, then, see men thrown out of all employment by the encroachments of economizing improvements? By no means. We should labor and plead, on the contrary, for a complete emancipation of the natural opportunities for employment, so that no one could possibly be idle against his own will.

There is no limit to the work that men want done. No machinery can restrict it, no possible extension of the department store system can lower the demand. The cheaper we get things, the more things we want and the more work we therefore require. Natural demand for work is always in excess of the supply. But in existing industrial conditions natural demand is not free to express itself. Effective demand, therefore, is in those conditions always less than the supply.

If natural demand were free to express itself, new machines would mean more demand for workers instead of less, and department stores would put greater life into trade instead of stagnating it. But the demand for workers is held in check by monopoly of opportunities for work—monopoly created and maintained by statute law in hostility to natural law.

While this exists, every new labor-saving machine threatens the livelihood of great masses of workingmen; and every extension of economies in trade, by means of department stores or other forms of concentration, becomes a growing menace to the business of small storekeepers. But if legalized monopoly were abolished, all economizing processes would be blessings alike to consumers and producers, to buyers and sellers.

The department store problem, like the labor problem, is at bottom only a phase of the general problem of legalized monopoly. It is to be solved not by further protective legislation, but by legislation destructive of the legislation upon which monopoly in general rests. When that truth once takes possession of men who feel the pinch of industrial conditions, and of those who sympathize with them, a new light will dawn. Then competition will be recognized as coöperation, and be fostered until it is wholly free; then everything that saves labor will be welcomed by every one who lives by laboring.

CHAPTER II

GENERAL BUSINESS CONCENTRATION

THE most significant tendency of modern business, not only in storekeeping but in nearly every other sphere of industry, is production on a large scale—business "concentration," or "organization" as it is commonly called. Opinions as to the beneficence of this tendency doubtless depend greatly upon the point of view. The head of a large and flourishing establishment would naturally look upon it very differently from the small producer whose field of industry has been invaded and his living possibly taken from him by large concerns. But there must be some test by which to determine, regardless of personal interests, whether or not concentration is socially injurious; and the rational test would seem to be one that makes the question hinge upon the character of the impulse back of the concentration.

When the object and effect of changes from production on a small scale to production on a large scale are economy, the new method requiring less labor than the old, then the tendency is normal and therefore calculated to be beneficial. Concentration for that reason and with that effect is but a form of labor-saving invention. It produces more or better things with no more labor than before, or the same things with less. What the steam car is to the ox cart, production on a large scale is to production on a small scale. The factory is an example. Advance in manufactures, from the production in little

shops of half a century and more ago to the wholesale production in great modern establishments, has been because the latter method is cheaper—because, that is to say, it yields better results with less labor. The change is natural, and if in practice it has hardly been altogether beneficent, this is not due to the change from a small to a large scale of production, not to concentration so-called, but to industrial maladjustments which prevent the benefits of the improvement from being fairly shared.

But a very different impulse may cause business concentration. When it is adopted not as a cheapener of production, but as a method of killing competition, then the tendency it expresses is abnormal and unwholesome. Of concentration from this impulse, the trust is the great example. Trusts have for their object and effect, not the object and effect of labor-saving inventions—not the multiplication of products, not the lessening of the labor of production, not the cheapening of prices,—but the curtailing of production for the purpose of forcing prices up and wages down.

Prices of trust products have indeed been known to go down, but that has always been in spite of the trust and not because of the trust. It has been because the trust was too weak for its purpose. No trust has ever yet lowered prices except in response to competition or in fear of it, a force which it is the principal aim and object of trusts to destroy. Though trusts wear the garb of economical concentration, and so mislead both those who oppose and those who favor them into confusing them with natural concentration, as if the two were identical, trusts are no more the same as natural concentration than the wolf wearing Red Ridinghood's cloak was Red Ridinghood herself.

This distinction between natural concentration for increasing production, and trust concentration for diminishing it, should be borne in mind when industrial questions that relate to production on a large scale are considered. If the change from a comparatively small to a comparatively large scale of production be arbitrary, if it be a mere combination of individual establishments to stop competition between them and to prevent competition from other sources—if, in a word, it be a trust—then the change is unnatural and oppressive. But if the change be a genuine labor saver, something which instead of lessening production increases it, instead of weakening competition intensifies it, then the change is natural and the result will be beneficial.

Put to this test, such concentrated mercantile enterprizes as department stores would appear to be beneficial. Their object and effect is not to increase prices but to lower them, not to lessen production but to augment it, not to prevent competition but to intensify it, not to obstruct the consumer but to accommodate him. Like the great factory, therefore, they are an example of the normal and beneficent tendency toward production on a large scale—an instance of legitimate concentration. And as the factory has displaced the small shops or changed their character, so the department store will in great measure, if not wholly, as related improvements come in, displace or change the character of small stores. Should this seem hard upon the small storekeeper, it is not more so than the railroad was upon the stage driver, or the linotype machine upon the old compositor. Even if the change could be prevented, the prevention would be unjust. Though it might appear to benefit small storekeepers, it would actually injure consumers. But,

being a natural development, the change cannot be prevented. It is a condition which, like rain and sunshine, must be taken as it comes. And but for industrial maladjustments which obstruct the diffusion of its benefits, no one, not even the displaced storekeepers themselves, would for one moment desire its prevention.

As to bonanza farming, there is reason to doubt that it is in fact a labor saver, though it is said to have driven out the farmers of New England, and to threaten small farming even in the West. The argument as to New England rests upon an asserted decline in farm values, but that does not support the argument. While it is true that some farms in New England have fallen greatly in value, it by no means follows that this has been caused by the competition of bonanza farms. It is more likely to have been caused by the shifting of the uses of land in New England, a view which is confirmed by the fact that while some land values in New England have fallen, land values there in general have enormously increased. The region has been going through a transformation, from farming to more advanced industrial uses. It may be that this change has been brought about by Western farming. If so, however, that is because the greater fertility of the West has been made available by railroads, and not because there are bonanza farms there.

If in the West small farming is in danger from the bonanza farm, the fact has yet to be shown. It may be in danger from discriminations by railroads; but farmers are not wanting who assert that in the absence of special railroad privileges, bonanza farming cannot compete with farming upon a small scale. Assuming, nevertheless, that production on a large scale is as normal in agriculture as in manufactures and merchandizing, the time

must come, upon that assumption, when small farming will give way to bonanza farming, just as small shops have given way to large factories, and as small stores are giving way to department stores. If bonanza farming can produce the same results as small farming, with less labor, or better results with the same labor—if, that is, it is truly more economical—then bonanza farming is destined to be the farming of the future. And it will, in that case, be beneficent, even to the small farmers, unless industrial maladjustments interfere with the normal distribution of its benefits.

What makes the prospect of production on a large scale so ominous, and it is ominous indeed, is the thought, expressed or felt, that the change implies in its culmination a state of society in which the few will be masters and the many serfs. We think of large factories as being under the mastership of manufacturing "barons," whose employes are slaves without the ordinary slave guarantees of support. Department stores associate themselves in imagination with merchant "princes" attended by hosts of cringing clerks. And it would be difficult to conceive of bonanza farms without bonanza "farmers" and their gangs of dependent "hands." Such, too, will most assuredly be the outcome if we allow maladjustments to perpetuate themselves, and to extend into the era of production on the largest scale.

CHAPTER III

THE RAGE FOR TRUSTS

THE economic advantages of legitimate concentration in business have created a rage for concentration, regardless of whether it may be legitimate or not. For several years, consequently, the air has been laden with schemes for consolidating business competitors. The old business maxim, sound and wholesome, that "competition is the life of trade," has been discarded in industrial circles, for the theory, for which no maxim has yet gained currency, that consolidation is the condition of success. This theory is the vital principle of trusts.

The latest mode of trust organization is a vast improvement upon earlier ones. Competitors no longer enter into trust agreements in restraint of competition. That primitive mode proved to be altogether incompetent. The trust agreements were evaded and sometimes openly violated; and, as they fell under the ban of the law, there was no redress in the courts. What competitors aiming to organize a trust do now, is to form a legal corporation in which all proprietors become stockholders, paying for their stock with their respective business plants. Establishments that formerly competed for business thus become part of one great concern under the management and control of one board of directors. If the former owners continue to operate their plants they do so no longer as owners, but as corporation employes.

It is the corporation, too, that determines as to each plant whether it shall be operated at all.

Or, the same end may be attained by an improved mode which has become more common. A managing corporation is formed which acquires the ownership of a majority of the stock of each of the corporations to be combined. The latter then go on, nominally as independent concerns under the nominal management of their respective boards of directors, but really as constituent or subordinate companies under the control of the blanket company.

There is no opportunity, therefore, as there was under the primitive mode of making trusts, for any party to the trust to evade his obligations to his confederates. The business is wholly in the hands of a central corporation, which has the legal attributes of a natural person; and the trust, instead of being under the ban of the law, operates under its sanction.

An effect, and one of the objects, of these combinations, is to dispense with many employes and cut down the wages of most of the others. Journeymen mechanics and unskilled laborers may escape. Whether they do or not, depends upon whether the trust reduces its production. If it does not, these employes remain; if it does, they suffer with the rest. Whether mechanics and laborers are affected or not, such employes as salesmen, bookkeepers, foremen, clerks and the like are sure to be hurt. When many establishments are consolidated, even though as many mechanics and laborers be required as before, they can be governed by fewer foremen, and the output can be disposed of and accounted for by fewer salesmen, bookkeepers and clerks. The organization of a trust, therefore, involves the discharges, more or fewer, of

this class of employes; and that in turn involves the reduction of the wages of those who remain. This has been one of the notable facts in connection with the trust craze. The general public may not be aware of it, but foremen, clerks, bookkeepers and salesmen are painfully so.

Another object and effect of trusts is the destruction of competitors who are left out of the combination. Since the motive for combining is to kill competition, outsiders must be crushed or the combination fails of its purpose. Many methods of accomplishing this are resorted to. It may be done by selling certain lines of goods for a time at less than cost. The trust can stand that longer than its small competitors, and when they are out of the way can recoup by charging higher prices than ever. Even while a price war is in progress, the trust may charge excessively for goods that are not in the field of competition, while selling below cost those that are in that field. But whatever the method, the object is to crowd out all competition and secure the whole field for the trust.

Competitive business men are sharply admonished of this by diminishing custom and decreasing profits. Some even of the best of them begin to look forward to retiring from business into high-grade clerkships; and a vast number are contemplating the possibility, if they themselves fail to get into a trust, of competing with lower grades of clerks for their already precarious places.

Whether or not the trust has come to stay, is an open question. Trust magnates have no doubt of it. The ordinary business man fears it. Social agitators proclaim it. And only here and there is doubt expressed. Nevertheless it may well be that the making of many trusts is

only an evanescent craze, and that the trusts are mere bubbles which must soon burst.

But any intelligent conclusion as to that point must rest upon an understanding of the differences in trusts, which we have already noted. There are trusts and trusts. It cannot, therefore, be predicated of the trust generally that it must either succeed or collapse. Some kinds of trusts may succeed if well managed, while others, no matter how well managed, may be predestined to inevitable collapse. Some analysis, then, of trusts as they confront us is necessary.

As already suggested, we can conceive of a trust having for its sole object and effect economy in production. Consolidation of business plants might lessen the cost of supplying goods to consumers. It might do this in part by reducing the number of managers, clerks, bookkeepers, and so on, necessary to supply a given demand; and in part through those innumerable other economies which, in favorable conditions, flow from operations upon a large scale. That kind of trust would be analogous to labor-saving inventions. Indeed, it would be a labor-saving invention itself. Familiar examples are offered by the department store, by farming on a large scale, by manufacturing combinations, by any business consolidation, however vast, which is neither directly nor indirectly buttressed by legal privileges.

Such a trust would, in the absence of legal privileges, be compelled, by fears of engendering competition if not by competition itself, to give to consumers the benefit of its economies. And though this trust would displace employes and independent employers, just as labor-saving machines do, just as all economies must, there would be nothing to deplore in that, if opportunities to

work for others or to do independent business in other and related lines were inviting and insistent. The displacement would then be a simple and easily adopted change of occupation; not exile from the whole industrial field.

Trusts of that character are not essentially bad. On the contrary, like labor-saving machines, they are essentially good. If they operate prejudicially in actual practice, it is not because they are injurious in themselves, but because they exist in conditions which operate, in greater or less degree, to bar out from other employments the workers and business men whom they displace.

Moreover, these trusts cannot carry organization to the point of perpetually monopolizing a business. The notion that they can and do, proceeds from the mistaken supposition that business combination is progressively economical without limit; which in turn proceeds from the fact that business combination is economical up to a certain point. In truth the economies of organization are limited. As soon as organization reaches the point of highest economy in a given case it becomes progressively uneconomical. To overcome this tendency, business combinations must combine monopoly interests as distinguished from competitive interests. Good-will serves to a degree; trade-marks, a species of good-will, also serve; the buying habits of the public can be monopolized by these means even for inferior goods for a time and to a degree. But no permanent trust can be founded upon those personal advantages. Permanent trusts require primary monopolies—monopolies that are created by law and control the necessary conditions of profitable production, transportation and trade.

Of primary monopolies, patent privileges are compara-

tively weak and count for little, because their power is temporary. The tariff and other taxation on production and trade serve only to limit the field of competition, and, although powerful, are not supreme. This may also be true of highway privileges when segregated; of terminal point monopolies considered individually; of particular monopolies of sources of original supply; of particular monopolies of superior trading sites, and of other monopolies of location, each considered by itself. But some of these privileges are of gigantic power, and when all are combined they are irresistible. Trusts which rest upon or are buttressed by any of those privileges are essentially bad and dangerous.

The harmful power of a railroad trust is the ownership of great public highways and terminal points which it brings under a single control. That is true, also, of street car combinations, of telephone and telegraph monopolies, of gas and electric light and power trusts; in a word, of all consolidations of those business interests that spring out of the law instead of being evolved by individual initiative and regulated by unobstructed competition.

Mining trusts are in the same category. They are essentially oppressive because they consolidate titles to mining opportunities, and thereby enable the trusts to dictate to all industries that depend upon the mineral deposits of the globe. And as with mining trusts, so with all other trusts which, so to speak, have their feet upon the ground.

Closely akin to highway and landed trusts are the trusts that bring under common ownership important patent rights. By virtue of these parchments those trusts arbitrarily and effectually prohibit the unprivileged, as

a distinguished patent law writer puts it, "from using some of the laws of God," just as railroad trusts by franchises, and mining trusts by deeds, arbitrarily and effectually prohibit the unprivileged from using some of God's common wealth.

All these trusts, though differing in power, are in character one. They are grounded in legal privilege.

Subordinate to the privileged trusts, are trusts of still another class. These have the characteristics externally of those of the first class described above—those which we have likened to labor-saving machines. They appear to have the benefit of no monopoly whatever, but to be simple unprivileged business combinations. In fact, however, they derive legal privileges at second-hand and secretly from trusts that are founded in privilege. Of this type was the Standard Oil trust at its inception. Under secret arrangements with railroads, which enjoyed highway privileges, the Standard Oil trust secured rates of transportation so much lower than its competitors were required by the same railroads to pay, that it thereby drove its competitors to the wall. Subsequently it acquired highway privileges of its own. Other trusts that flourish now, doubtless also depend for their power upon discriminative freight rates.

To one or the other of the three classes of trusts mentioned above, all the trusts now organized, or in process or expectation or possibility of being organized, may be assigned. And according to the class into which a trust falls, will the probabilities of its success or collapse be determined.

The weakest of all the trusts are those of the first class—trusts which possess no legal privileges. If capitalized at the true value of their plants, and conducted

merely with a view to economy and not to keeping prices above the competitive level, they may succeed. But which of those trusts is so organized and so conducted? It is safe to say, none. In capitalizing, each plant is inventoried at double its value or more; and the consolidated business is conducted with a view to paying good dividends on the stock so watered.

The trust which does this, without the aid of some kind of monopoly—land, highway, patent, or the like—can no more succeed in business than a boy can succeed in lifting himself by his boot straps. All such trusts are fated from their inception to perish. Some have perished already.

It is probably true, however, that most trusts of the general character last described, are not of that character strictly. Very likely most of them are buttressed either with some special privilege of their own, or with contractual interests in the special privileges of other combinations. In that event their success depends upon the power of the monopoly they so enjoy—to which extent they are in the category of trusts of the second class described above, those grounded in legal privilege. As the latter rise or fall, so may the former.

Trusts grounded in legal privilege may be expected to succeed or collapse according as their legal privileges do or do not enable them to control the original sources of supply of the goods they handle. Unless they acquire control of these, it is only a matter of time when another trust will. And if another trust does, it will either absorb the first one or crush it.

Steel manufacturing trusts might for a time control the steel market. But let another trust secure the ore mines, and the steel trusts would be at its mercy. Manu-

facturing combinations, however complete, however wealthy, even though buttressed with patents and in combination with railroads, can retain their power only while the owners of the natural sources of their supply are not combined.

It is a *sine qua non* to success that a trust have its feet upon the earth. This has been discovered by the great trusts. The steel trust goes back to the land, and makes ore mines part of its property. The coal-transporting trust of the anthracite region is careful to secure not only highways, but coal mines. The trust that does not follow their example is doomed.

To analyze this subject is to conclude that the rage for forming trusts will eventually react and produce a stupendous crash. Trusts with much watered stock and without much monopoly power, will go first to their fate. They will be followed by the monopoly trusts that fail to secure fundamental monopolies. In the end no trusts will be left to rule in the economic field save those which have their feet upon the ground. The trust question leads directly to the land question.

CHAPTER IV

THE TREND OF THE TRUST

IN the preceding chapter trusts are classified in three categories: trusts without legal privileges, trusts that own legal privileges, and trusts that own no legal privileges directly but sublet such privileges from trusts that do own them. Trusts without legal privileges are described as weakest of all, and as fated from their inception to perish; those that sublet legal privileges, as likely to rise and fall in subordination to the legally privileged trusts on which they are dependent; and those that own legal privileges, as doomed unless they establish themselves firmly upon such legal privileges as are fundamental —the conclusion being that "in the end no trusts will be left to rule in the economic field save those which have their feet upon the ground." Proceeding from this conclusion, let us first ask ourselves to what extent business can be thus securely monopolized by trusts.

The control of trusts by trusts—in other words, the merging of many trusts into one trust, much as many kinds of business have been merged each into its appropriate trust—is clearly among the possibilities of trust development. Such a tendency has already become actually manifest.

Two competing railroad systems, for instance, each made up of what were originally independent roads, are in essence if not in name, two independent trusts. In time one of these systems falls under the control of the

same interests that control the other. They might be operated as independent properties, preserving the form while destroying the substance of competitive operation, but for a Supreme Court decision against "pooling," which may make it necessary, or at least expedient, to abandon even the form of competitive operation. If so, one would be operated avowedly as a branch of the other. In either event the two systems would be but one system; the two trusts would be consolidated.

Nor need we look to railroading alone for such examples. Telegraphy, telephoning, electric power and light supply, gas works, and the like, are all tending to consolidation. First there are franchises to different corporations in a community; then comes consolidation of franchises, until one corporation—essentially a trust—owns them all. And that stage is followed by a consolidation of these interests in different communities under a central control—a central trust.

As to trusts generally—the "industrials," as their stock is called in the "street"—their evolution is similar. Competing establishments in a given line of business, consolidate and form a trust. Their object, which may be in part to secure economy in production, is in other and perhaps greater part to stop competition. Except as these combinations are buttressed with great legal privileges, they are, as already indicated, in danger from the constant pressure of competition, actual or potential, which tends to produce disintegration. For competition is a vital social principle. Its operation may be obstructed by minor monopolies, but its force cannot be quite neutralized by anything short of perfect and complete monopoly. Consequently, until a trust or a series of trusts secures complete control of all the natural re-

sources which its operations require, it feels the force of competitive influences. When one line of business, therefore, consolidates into one trust, and other more or less related lines consolidate into other trusts, these various trusts are by the same impulse that prompted them to form original trusts, prompted to form a trust of trusts. They thus consolidate under one control not only all the establishments in each line of business, but all the trusts in the different related lines of business, including the trusts that own the natural sources of supply.

This would make that trust of trusts invincible within its own sphere. Its feet would be upon the ground. Yet it might still be embarrassed by its dependence upon others for subsidiary products. In that case it would come into collision with the trust of trusts that had its feet upon the ground as to those products. Then a struggle would ensue, the result of which would be consolidation of these trusts of trusts.

Suppose, for illustration (and the illustration is by no means strained), that the steel manufacturing business were by processes of consolidation brought under the control of a trust which dominated the business, merely as a steel business, from beginning to end—owning everything from finished product back to ore mines. That trust of trusts would have its feet upon the ground. But it must use coal; and here, let us say, is a trust of trusts which dominates the coal business, from delivery at your cellar door back to the mines from which coal is dug. That trust, too, has its feet upon the ground. In such a case the interests of these two trusts would collide, and out of the collision the steel trust and the coal trust would emerge as one.

That illustrates the trend of trusts. Following them

from their beginnings, we find a tendency first to the consolidation of businesses of the same kind into trusts for those kinds of business respectively; then to the consolidation of trusts in kindred lines; then to the consolidation of those trusts as they come into collision with one another; and so on, each trust gaining power over its rivals as it secures a broader and firmer foothold upon the ground.

Unhindered by fundamental reform, the organization of trusts and their absorption into trusts of trusts would eventuate in the ownership of all business by some gigantic trust, which would get its power as Antæus got his, by keeping in touch with the earth. Owning the earth, it would own men; and owning men, it would own all that they produce, from the simplest food to the most marvelous machinery. The middle class would disappear, and only two classes would remain—beneficiaries of the trusts and their favorites on the one hand, and impoverished and dependent hirelings and beggars for work on the other.

To this triumph of the trust, socialists look forward with satisfaction. They see in it the opportunity of the people to take possession not only of the earth but of the artificial instruments of production also, by dethroning the few trusts or the single trust that may acquire this vast ownership. They are satisfied because in this trend they discover signs of the evolution of common ownership of the mechanism of production and distribution. But in the trust phenomena there is little real cause for satisfaction. As the evolution of the trust proceeds, trust employes become in greater and greater degree mere voting machines, registering at the polls not their own convictions, but their employers' commands. This condi-

tion, only worse, would be universal should the development of trusts proceed even approximately to the point indicated above as possible. And when the time came to dethrone the trusts, the trusts themselves—through armies of dependent voters—and not the convictions or the interests of the people, would decide the issue. It might be that the trusts would decide in favor of their own dethronement. But if they did, they themselves would fix the terms; and we may rest assured that the dethronement would be but nominal. All land and all machinery might by their consent be turned over to a government; but it would be at a price which the trusts would dictate, and to a government which they would continue to control.

It is not by waiting until trusts own everything and then taking it from them, neither by trusting to their destroying their own power by overproduction, that the industrial question must be met. If the evils of the trust are to be overcome and its dangers avoided, the people must possess themselves in time of the strategic point toward which the trust is advancing. Since the trust cannot survive without, Antæus-like, getting its feet upon the ground, it is to be destroyed only as Antæus was, by keeping it entirely off the ground.

CHAPTER V

THE TRUST AS A NATURAL EVOLUTION

THE term "trust" comes from the original method of trust organization. The owners of stock in different corporations intending to consolidate would deposit it with trustees, whom they invested with absolute power over it, subject to the reservations of the trust agreement. In that manner competing corporations concentrated in these trustees complete control over their business, and the consolidation was consequently called a trust. But this method of making industrial combinations proved by experience to be crude and open to time-honored legal objections, and from time to time improvements were adopted until the trust in its original form disappeared.

In a narrow verbal sense, therefore, it is correct to say that trusts no longer exist. It is correct, that is, in the same sense in which the punster is correct who tells you that "a door is not a door when it is a jar"—for it is simply a play upon words. But only in that sense, for the name and the trusts themselves have persisted, though the method of which the name was originally descriptive has long since given place to methods more effective. Trusts are more numerous and powerful than ever, but they are no longer in the hands of trustees. They are formed now, as described in a previous chapter, by the sale of competing corporations, or a majority of their stock, to new corporations organized especially for the

purpose of buying their interests, consolidating their power, and managing their affairs.

That was the method adopted by the gigantic steel trust. A syndicate was organized, with which the stock of all the steel corporations of the country was deposited; and at the proper time this stock was turned over in exchange at certain ratios for the stock of the United States Steel Corporation, which had been organized for that purpose under the laws of New Jersey. Thus the United States Steel Corporation, though nominally nothing but a chartered company, like thousands upon thousands of others that have been spawned by incorporation laws, became in fact an enormous trust, monopolizing the steel industry of America and reaching out for the monopoly of that of the world.

This stupendous consolidation profoundly stirred public feeling. Where is all this concentration of power to end? was a question which if not upon every tongue was making almost every heart throb with anxiety. All our people were not like the complacent college professor of economics who, while realizing that the steel trust would have "very great power," regarded it as an evil only in case it should use "this power to raise prices to the consumer." There were those who had read history thoughtfully enough to dread unbridled power in itself.

The same professor spoke of these great combinations as "a natural evolution of the modern industrial system." That seemed to him not only a sufficient reply to all objections, but a complete justification of the trust as a good thing. Yet he would hardly have looked upon typhoid fever as a good thing, even if some medical professor had commended it as good because it was "a natural evolution of a method of drainage." He would have formed

his own conclusions as to the goodness of typhoid fever, and if they were unfavorable would have suggested that the medical professor devise something in the way of improving drainage, so that typhoid fever might alter its "natural evolution."

When a method of drainage produces typhoid fever, this does not prove that the fever is good; it proves that the drainage is bad. So with trusts. If they are a natural evolution from the modern industrial system, so much the worse for the modern industrial system, not so much the better for trusts. Every tree brings forth fruit after its own kind, and by its fruit we know it. If the gigantic steel trust, with the unparalleled power it confers upon two or three men over the industries and even the lives of great masses of the people, is a natural product of the modern industrial system, then it is time to overhaul that system and learn what is wrong with it.

But the idea that trusts are good—or at any rate tend in the direction of good—because they are a natural evolution from historical conditions, is not confined to political economy professors. There is no lack of other well meaning people wanting better things to come, who also embrace it.

Socialists of the historical school are in that category. They take the current of history for granted as good. Either that, or they assume the impossible—that good is a natural evolution from evil. For they believe that history exhibits a process of evolution which, having reached the present deplorable era, is about to pass into what would be a worse, the era of trusts, if it were not that the natural evolution from the trust era is to be an era of equality and good will.

If persons who believe in this way meant that trust

phenomena would stir up public sentiment to a realization of the social disease that has produced them, and impel it to seek the root cause and apply radical remedies, their position would be intelligible. But they have no such meaning. They mean that out of these diseased social conditions, and by a continuation of the same natural process of evolution that has been at work through the ages, there will evolve healthy social conditions.

Since that is the reason they welcome trusts, it is not just to say, as is sometimes hinted, that they welcome them from motives similar to those which led the quack doctor to produce fits in his chicken pox patients—because he was death on fits and didn't know much about chicken pox—although their programme does suggest it. They look expectantly and hopefully for the concentration of all business in a few great trusts because they are confident that this condition will generate one in which the people as a whole, in an organized capacity, will acquire and administer all business for the common good. This programme truly is, upon the surface, somewhat like turning chicken pox into fits and then curing the fits; but that is really not a true interpretation of their reason for exalting trusts as a natural development toward better things. They seem to believe that all through history the human race has been a sick man (not from disregard of fundamental laws of social health, but of necessity in the nature of things evolutionary), who from one disease to another has finally got a chicken pox, which, in due course, is producing fits, and that the fits will in turn produce good health. It is not an encouraging programme.

Besides the philosophical absurdity of expecting a natural evolution of good from evil, the generation of

health by disease, there is to be considered the commonplace fact heretofore alluded to, that the masterful minds which are able to dominate private trusts would have no difficulty in dominating government trusts, even under popular government; yea, more triumphantly under popular government. The invitation to cure the trust evil by encouraging the development of trusts with the expectation of their being taken over ultimately by some form of popular government, is an invitation to join in completing the destruction, instead of achieving the restoration, of popular liberty.

Unfortunately, the drift of discussion regarding the trust evil has seemed to favor this policy. That result is immensely contributed to by slovenliness in analyzing the trust problem. It has been assumed too carelessly that mere combinations make monopoly. Hence attention has been centered upon the problem of checking combinations, and been thereby diverted from the vital point, which is the nature of the thing combined. The idea to be grasped and clung to is the fact that it is not trusts that make monopoly, but monopoly that makes trusts. The evil springs from no normal condition, but altogether from abnormal adjustments. It does not depend upon mere combination; it depends upon the character of the interests that are combined. A combination of fishermen, for instance, could not, merely as fishermen, make a fishing trust. They have no monopoly. Their only advantage would be their fishing skill, and equal skill could soon be acquired by others. Even with the advantages of such special privileges as dockage rights and transportation opportunities, it has been found impossible to make an invincible fishing trust. An attempt to form a camera trust has failed, although there are patents to buttress

such a combination. The great wall paper trust was once supposed to be an example of the power of mere combination, but it was compelled by outside competition to dissolve. Instances of this kind might be multiplied and in the future doubtless will be. The latest is the shipping trust, which, having but little fundamental monopoly power, has begun to totter. The cigar trust is in the same general category. What gives power to the cigar trust is similar to what gave power for a time to the wall paper trust—its trademarks; and it, too, is destined to collapse. So long as individuals or corporations possess only such interests as are freely open to competition, they can exercise no oppressive power. To hold the field to themselves, in such circumstances, they must render and continue to render superior service to all comers.

If, while doing that, a combination seems to injure some people by displacing employes or competing houses, the injury is not attributable to the combination. For if men are displaced in a business because they are not needed, and so suffer for lack of employment, their suffering is due, not to their displacement, but to the fact that opportunities for employment in occupations in which they really are needed are closed or narrowed by restrictive laws.

With such combinations, moreover, there is a limit of efficiency which any thoughtful student of the problem must infer, and which the business community is beginning to detect. I have already adverted to it. Up to a certain point there is economy in combination. It saves expense in many ways. But that point reached, the saving becomes less and less progressively as the combination expands, until further combination ceases to be economical and becomes positively wasteful and unprofitable.

In some degree all combinations are subject to this limitation, because all are to some extent combinations of interests that are open to competition. But to the degree that the combination is of monopoly interests, to that degree the limitation is lifted. A combination of nothing but monopoly interests, controlling the sources of supply and the channels of delivery for imperative demands, would have no limit and would be invincible. The evil power of trusts depends, consequently, upon the extent to which the interests they consolidate are monopoly interests. Though a combination of fishermen could not monopolize the fish trade, a combination of fishing ground monopolists with dock monopolists and railroad monopolists, could monopolize it.

The correctness of this analysis is confirmed by the history of the Standard Oil trust. By railroad privileges at first and afterwards by a pipe line from the oil regions to the sea, this trust has dictated terms to oil consumers at one end and to oil producers at the other. It is further confirmed by the story of the all-absorbing steel trust. Not merely to manufacture steel on a large and economical scale is this combination formed. That is only incidental. It is a function which might be relegated to others without weakening the trust. The real purpose is to combine the patent monopolies in steel production, with monopolies of the natural sources of steel supply. And by means of another great combination—that of the railroads, to be controlled ultimately by the same little coterie that controls the steel trust—monopoly of transportation also is to be secured. It is not combination for production that is sought, primarily; but combination of productive opportunities. These trusts are not organized to do things, but to "do folks."

Make a simple test analysis and you prove it. Imagine the withdrawal from the two great combinations, the steel trust and the railroad pool, of every monopoly, and what would become of those combinations? Suppose the iron mines were outside the pool. Suppose the coal mines were out. Suppose there were no patents to be combined. Suppose the railroad rights of way belonged to hostile interests, free to rack-rent the transportation companies. Yet, let these two great combinations own everything else. What power would they have?

Or, to put the same idea in another way, suppose the ore mines, the coal mines, the railroad rights of way, and the patents, all belonged to one trust; while the steel works, the railroad equipment, the machinery at the mines, and everything else of a competitive nature belonging to these two great combinations, were owned by another trust. What would be their relative power? Would not the latter trust be as a pigmy to a giant?

Again: Suppose that ownership of the coal and the iron mines were so adjusted that they could not be monopolized profitably by anybody. Suppose the same thing were so far true of railroad rights of way that everybody's transportation facilities were on a level. And suppose the steel-making patents had expired. Who, then, would care a picayune whether the steel and railroad interests combined or not? Nobody. It would in that case be clear to everyone that these combinations would have to render the best possible service to the public or be driven out by combinations that would.

All this is evident upon a little reflection. And when perceived it almost makes one impatient with the divers cuticular remedies that are proposed for the constitutional disease that evolves the trust.

Every injurious trust is built upon some monopoly—upon one that is conferred by the government directly, or upon one that is acquired from a direct beneficiary of government. Scores upon scores of little monopolies, and some big ones, rest upon the sub-letting of special privileges by railroad monopolists. Take away these monopolies, and trusts will take themselves away. Monopolies of ore mines, of salt mines, of railroad rights of way, of territorial privileges, and so on, fortified by tariffs which protect American monopolies from the competition of foreign monopolies—such are the things, and such alone, that make trusts possible. It is not true that the trust evil is a normal industrial evolution, in any other sense than it is true that typhoid fever is a normal sanitary evolution. Typhoid fever is not a product of wholesome conditions; it is a product of diseased conditions. It is a physical evolution from physical disorder. And so with the trust evil. A natural evolution this certainly is, but not a natural evolution from wholesome industrial conditions. It is a natural evolution from diseased industrial conditions—a social evolution from social disorder. And this industrial disease, this social disorder, originates in monopoly—privileges created and fostered by law. What the germ is to typhoid fever, monopoly is to trusts.

CHAPTER VI

THE TRUST AND SOCIALISM

HE who thinks of the socialist political parties, of socialist speeches, of socialist literature, or of all these combined, as socialism, has but a dim perception of some of the most important phenomena in the history of his own time. Though socialist organizations, speeches and literature have to do with socialism, they are no more socialism than maps are geography, or mile posts the highway. The most influential school of socialists regards socialism as a social evolution, and that conception of the subject is being impressively confirmed by events. It can be best understood, not through socialist literature, for there is no gospel of socialism and its literature is a bewildering maze of confusions and contradictions, but through the modern phenomenon of trusts, studied in the light of the theory of historical evolution.

Not that the trust is a socialist ideal. Far from it. In all socialism there is a democratic aspiration, and trusts are not democratic. Yet they are believed by socialists to secrete democratic germs, which will eventually develop out of the autocratic trust an industrial democracy, somewhat as political democracy has been developed out of feudalism and monarchy.

However this may prove to be, doubtless the economic, as distinguished from the ethical, principles of socialism, are already in process of more or less imperfect exemplification by the trusts, the most perfect of which in

that respect is the United States Steel Corporation, mentioned in the fifth chapter of this Part. This trust owns not only the natural sources of production upon which it depends, but also all the related artificial machinery of production and distribution. It is a gigantic socialistic embryo. So at least it distinctly appears to be from a vivid pen sketch by Mr. Ray Stannard Baker,* a sketch which is valuable as a socialistic study because, besides being vivid, it is evidently a true account, as far as it goes, of the business methods of the steel trust.

Mr. Baker describes the organization of the steel trust as "a republican form of government, not unlike that of the United States, with a president; a cabinet, or executive committee, which is likewise a supreme court, having practically all the power of the board of directors; a treasury department, or finance committee; a legal department (the general counsel); and a congress (board of directors), elected to office by individual voters or stockholders."

The government of the trust, besides being republican in form, is federal in principle; for, writes Mr. Baker, "it is a general though erroneous impression that when the steel corporation was organized all of the ten absorbed companies lost their identity, being merged in a single huge concern managed from New York City. But the United States Steel Corporation is rather a federation of independent companies, a combination of combinations, each with its own distinct government, officers, sphere of influence, and particular products. The Carnegie Steel Company, for instance, is still independent of the Federal Steel Company, and yet both are a part

* *McClure's Magazine* for November, 1901.

of the United States Steel Corporation in the same way that Pennsylvania and Illinois, while separate States, each with its own government, are part of the United States."

But this government is primarily industrial, as distinguished from political. Its purpose is the production and distribution of steel commodities, from the ore and the coal in the mine, through all the processes of manufacture and transportation, to the finished and delivered article. In this particular it differs from the Socialist Commonwealth only in the fact that its field of operations is limited to the steel industry, whereas the Socialist Commonwealth would be expected to monopolize even more completely and to operate even more perfectly, all branches of industry.

Still in analogy to the theory of the American government, the steel trust distinguishes between common functions and those pertaining to the constituent companies respectively:

"While each subsidiary company retains the entire management of its own manufacturing plants, it has been the policy of the new corporation to combine in great general departments those factories of production common to all the companies. For instance, most of the subsidiary companies owned their own iron mines, their own coke ovens, and controlled their own ships on the lakes, and each had a department to care for these interests. Now the ore and transportation interests are gathered in one great department."

The economy effected by this concentration of common interests into one central department is thus described:

"The coke interests, the export department, the foreign offices in London, and certain branches of the sales departments, are each grouped under a single head. By this

method a single agency distributes iron ore, coal and coke, between the various plants as needed, avoiding cross shipments, and supplying plants always from the nearest sources, thereby saving freight charges. Much of the economy of production depends on the efficacy of distribution. Formerly serious delays resulted from the inability to obtain vessel tonnage at the right time, or to load the ships with the right kind of ore when wanted, for many companies, while owning plenty of one kind of ore, were compelled to purchase other kinds to make the proper mixtures. Under the new system, however, the splendid fleet of 115 vessels on the Great Lakes is all under the control of one man, . . . and the ore-distributing system is all under another chief. The ships can thus be directed by telegraph to the ore-docks in Minnesota, Michigan or Wisconsin, where each immediately secures a full load and carries it to the dock or mill where that particular kind of ore is most needed. . . . Coke and coal are distributed much in the same manner by a central department."

Such centralization is confined, however, as already indicated, to operations of common concern. With reference to functions pertaining to the constituent companies individually, the impulse of competition (more definitely, perhaps, emulation) is encouraged. Mr. Carnegie had already made this a feature of his company, before the federation. He encouraged "friendly rivalries between his plants, spurring them on with rewards, and by firing the pride of accomplishment he succeeded surprisingly in adding to the efficiency of his force." Following Mr. Carnegie's example, the steel trust, while in absolute control, and consequently able to insure harmony through its central authority, has, nevertheless, so adjusted the rela-

tionships of the constituent companies that "one company buys of or sells to another, as formerly, and the bargains are driven just as shrewdly as ever, each president being keenly ambitious to make a good showing for his company. The disputes which naturally arise are settled by the executive committee, sitting as a sort of supreme court."

As to products which vary with the producing company, wide latitude is allowed, each company being permitted to drive the best bargain it can in the open market. But "in cases where several companies produce the same thing —steel rails, for instance—they agree on a price and appoint the same agents throughout the country."

Not only are economies secured by this system of production and distribution, but every department of the trust, says Mr. Baker, "runs smoothly, noiselessly."

In this great trust, then, we have an example, only partly developed economically and not at all ethically, but faithful and favorable as far as it goes, of socialism in the concrete.

To perfect this system economically, with reference to socialist ideals, what is needed is that the trust should encompass all great industries instead of only about two-thirds of only one, and manage them in substantially the same way. To perfect it ethically, with reference to socialism, what is needed is the democratization of the trust, so that all who work in it, the day laborer at the bottom as well as the great captain of industry at the top, shall participate equally in its government and share equally in the value of its products.

Whether that is practicable is too complex a question for present discussion. One industry might be managed upon this plan with economic success, even though the

plan might break down if applied to all industries. So the plan might work under a plutocratic system, the board of directors being chosen by a majority of the shares, when it would not work under a democratic system, the board being chosen by a majority of the workers. The steel trust illustrates the character but does not demonstrate the practicability of the Socialist Commonwealth. It may be doubted, too, whether, when the trusts had monopolized business, the employes would be able to democratize trusts. The power that perfects the trust is a power which no workmen, other than the specially skilled, can hope to cope with by organization.

Yet there is scant room for question that socialism is the goal toward which the trust tends. Those socialists are right who see in the trust phenomena their predicted socialist evolution. If socialism comes at all, it must come in one of two ways: either by the absorption of industries by government, or by the absorption of government by industrial agencies. Both tendencies are at work. Government is reaching out, not through the influence of socialist parties, however, but under the pressure of grasping private interests, and in the form of protective tariffs, subsidies, and the like, for the regulation of functions which are distinctly individual. Concurrently, trusts are reaching out for the control of government.

It is impossible to read Mr. Baker's lucid account of the steel trust without seeing in that organization the possibilities and prophecy of an overmastering governmental machine. If there were no opposing tendency, it could be predicted with almost absolute certainty that the trust would at no distant day evolve into an autocratic, plutocratic, all-embracing and paternal socialistic state. Whether this state would in turn evolve democratic

socialism, conceding the possibility of such an ideal, would not be so easy to foresee; but that the evolution will reach the point of paternalism, if unobstructed, is as certain as any human prophecy can be.

Fortunately, however, this tendency is obstructed. The sentiment of opposition to the extension of government into the sphere of private industry is not dead. During these years of advancing monopoly and imperialism it has been sleeping; but now it is awaking, as it always has and always will whenever autocratic tendencies gather momentum and begin to disclose their true character. And this same opposition to the absorption by government of individual functions is also an obstacle to the absorption of government by trusts. The tendency of trusts to develop a socialistic state cannot persist, because the only thing that perpetuates their power is monopoly of natural opportunities for production. The steel trust, for instance, is cohesive and powerful, not because of its commercial economies, but because directly and indirectly it monopolizes ore beds, coal mines and transportation terminals. Abolish these monopolies, and the steel trust would be as impotent as a monarch without the power of taxation.

This very simple but potent truth is gaining recognition. Public thought is being influenced by it more and more. It is crystallizing a popular opposition to the development of the trust idea, and consequently to socialism. It is the key to the economic problem, to the labor problem, to the political problem—in a word, to the social problem. And it is destined to define the issue over which another great struggle for liberty will be made; namely, whether we shall on the one side perpetuate monopolies of natural sites and resources, and so

foster trusts and promote socialism; or shall, on the other, check those monopolies, and thereby advance and strengthen the cause of individual liberty.

CHAPTER VII

THE TRUST AND THE SINGLE TAX

A VERY simple illustration of the trust may be imagined by considering the hack service at almost any commodious railway station, whether in city or country. I select a particular one for the sake of being definite. Hackettstown is a New Jersey station on the Delaware, Lackawanna & Western Railway, where the station yard is large enough to accommodate many more hacks than are needed. Several hacks carry passengers between this station yard and any desired place in the town at the uniform charge of a dime. Were more exacted, competition would be stimulated. Realizing this possibility, the hack owners conform voluntarily to what is locally regarded as a fair toll. The business, therefore, is regulated by competition—if not actual, yet potential.

Consolidation of these interests might effect economies. If so, the consolidation would be beneficial to all concerned. Patrons would get better service and pay lower fares; and if displaced employes were hurt by it, their misfortune would be due, not to the labor-saving consolidation of Hackettstown hack interests, but, as is the case with the introduction of labor-saving machines, to fundamental legal obstructions to business in general. The consolidation would be nothing but a union of interests in hacks and horses, a kind of property too easily produced in abundant quantities to be monopolized. Such unions are not in themselves harmful. If they were, all

economizing devices would be harmful, and, following Tolstoy, we should have to return to primitive methods of production.

But note the effect were the railroad company to confer upon those hack owners exclusive rights to enter the station yard with hacks. As the station building is so situated with reference to the public highway that competing hackmen could not satisfy the needs of passengers without access to the yard, the privileged hack owners would control the business as a monopoly. Though they still competed with one another, they would be shielded from the competition of outsiders. What if they consolidate now? How radical the difference! The consolidated interests would be more than interests in hacks and horses. They would comprise exclusive rights of entry into the station yard. And therein would lie the evil power of this local hack trust. Freed from all fear of competition, it could make a standard of service to suit itself, and regulate fares upon the basis of extorting "all the traffic would bear."

This illustration is so far typical of business in general as to indicate the point at which the evil of the trust comes in to bedevil modern industry. That point is not where competitive businesses combine; it is where competing monopolies come into the combination. When really powerful trusts are analyzed, their power is found to rest in some form of monopoly—in some species of privilege. Somewhere in every evil trust, though not always obvious, there is a consolidation of exclusive interests analogous to the station yard monopoly of our illustration.

Mr. Charles M. Schwab recognized this when in his testimony before the Industrial Commission he affirmed that the steel trust, of which he was manager, absolutely

controls 80 per cent. of the iron ore deposits of this country, and all the best coking-coal lands known.

Specifically, the monopoly interests upon the consolidation of which trusts are erected are numerous and various. They consist of such monopolies as railroad rights of way, pipe-line rights of way, patented inventions, water privileges, street franchises, mining rights, terminal sites, and so on into a long catalogue. But most of them may be properly classified as monopolies of land. Mining rights are obviously land rights. Railroad and pipeline rights of way, terminal sites, and the like, are evidently so.

To make land monopoly the mother of trusts, however, it is not necessary to trace directly to land monopoly every special privilege that may not obviously spring from that source. The important consideration is that all monopolies which do not spring from, are necessarily subordinate to, monopolies of land. A monopoly of iron mines, for instance, confers control over the iron industry in all its ramifications, including all its minor monopolies. That control may be limited by a monopoly of rights of way, and especially of necessary terminal points for the shipment or delivery of products of the iron industry. But this makes no difference to the argument, for both monopolies are monopolies of land. And, if these two land monopolies be united in one trust, that trust is unconquerable, except by a trust that monopolizes still more important natural sources of supply or still more commanding terminal sites.

In yet another, a more subtle and therefore more effective way, evil trusts are fostered by land monopoly. This is through general speculation in land. In the hope of profiting by increase in land prices, every one who can

afford to invest buys land where he thinks it may rise in value. Most of the land so bought is either not used at all or only partly used. It cannot be easily obtained for use, because it is held upon speculation at excessive prices. In consequence of this difficulty, the industrial classes are forced into a glutted labor market, like cattle into a corral. As all processes of industry depend upon land, workers of every grade are huddled together begging for some kind of job. Those that are not actually in the corral are in mortal fear of getting into it. In these circumstances, the industrial classes are an easy prey to whoever has a job to give them. To escape the corral, they accept any terms they can get. They cannot contract in freedom, for they must buy a chance to live. The question with them is not one of more or less income, but of life or death. Thus the monopoly power that trusts acquire from ownership of land is multiplied by the relative weakness of their landless victims. "The destruction of the poor is their poverty." And their poverty, as well as the original power of the trusts, is rooted in, springs from, and is strengthened by land monopoly.

This monopoly not only strengthens the trusts by weakening the contracting power of their workmen; it is also the fundamental cause of the suffering which all classes that eat their bread in the sweat of their own faces are forced to endure from what seems to them the "ravages" of labor-saving machinery and other economizing devices. The only radical remedy, therefore, not only for the evil of the trust but also for the evil effects of what ought to be an unmixed and universal good, namely, labor-saving methods, is the abolition of land monopoly.

This is the comprehensive, because the radical or root remedy, for industrial maladjustment, which Henry

George proposed to apply by what has come to be known by the name of "the single tax." It was his idea to continue, in lieu of all other taxes, the tax we already impose upon the value of land—namely, that part of the real estate tax which is measured by the value of sites as distinguished from the value of improvements. To put his proposition in another form, he would abolish all taxes except the one which is measured solely by land values, trusting to the resulting increase in the rate of that single tax to transfer from land monopolists to the public treasury the annual ground rent, potential as well as actual, of all kinds of land—mines and city lots as well as agricultural land—each allotment paying in proportion to its value as mere land, irrespective of the value of its improvements. By this means land monopoly would be abolished. It would be abolished in the only way in which land monopoly can be abolished without reviving it in new forms by turning the state into a monster landlord of unlimited and virtually irresponsible power. For, while it would effectually abolish the monopoly of land, the single tax would preserve private possession under individual occupancy.

If this principle, the principle of the single tax, were fully applied, land monopoly would evidently be impossible. Vacant city lots could not be held long for higher prices, if the owner had to pay as heavy a tax as the owner of improved lots having an equal land value. Farming land could not be kept out of use by the thriftless or the greedy, nor by land-grant railroads, if the unimproved were taxed as much as the improved, the locations being of equal value. The coal and ore mines of the country could not be monopolized and closed against mining, if coal land were taxed well up to its

market value whether worked or not. In every direction this tax would put fines upon land monopolists, thereby discouraging land monopoly and opening to general use all the natural opportunities which are now closed by owners who expect to reap a harvest of higher prices in the future.

And while abolishing land monopoly, on the one hand, the single tax would, on the other, abolish all fines upon production, thereby releasing the great body of labor from the corral into which it has been driven, and causing work to bid for men instead of compelling men to bid for work.

Different kinds of cases might require different modes of applying the single tax principle. With reference to transportation, when right of way and mode of operation were inseparable, and even with reference to some kinds of mines, as gold or silver mines, it might be necessary, in order to destroy land monopoly as to them, to place them directly under public management. Where that was true, special modes of applying the single tax principle might be adopted. But in all probability little more would be found necessary in actual experience than the fiscal method of application proposed by Henry George, which, like the single tax principle itself, is also known as "the single tax." At all events this method would be efficient in most cases and with the most vital elements of the problem.

But the question recurs in more concrete form. "How," it is often asked, "could the single tax benefit the small storekeeper, the small manufacturer, the small farmer, and the dependent wage-worker?" Since large farmers, with the advantage of improved and valuable machinery, can produce at lower cost than the small farmer, could

they not drive him out of business? In like manner, could not the department store with its vast capital drive out of business the small storekeeper, and the large factory the small manufacturer? How could the single tax offset these great advantages of the capitalist farmers' machinery over the small farmers' rude methods, and those of the large store and factory over the small one? And with all these small employers out of the way, why couldn't the large ones make their own terms with wage workers?

This question assumes, to begin with, that it is desirable to perpetuate small modes of production, like small farming, small manufacturing, and small storekeeping, in behalf of producers on a small scale. That is not necessarily so. In every department of industry in which production can be carried on with greater economy of labor on a large scale than on a small scale, it is desirable that production on the small scale should give way. Whether or not the single tax would permit department stores, mammoth factories, and bonanza farming to put an end to small storekeeping, small manufacturing, and small farming, is therefore beside the question. The real question is whether the single tax would secure to those who now keep small stores, manage small factories, do small farming, and those who work for hire, their just share in the benefits of the change.

Henry George had no expectation of interfering by the single tax with normal concentration in production. On the contrary, he expected the single tax to encourage it. But he expected also that the single tax would open the way to all who so desired, to be equal partners in production—equal, that is to say, in proportion to their contributions of labor. He expected, in other words, that the single tax would bring about in the field of production

on a large scale, a system of voluntary coöperation; or, to use his own language in *"Progress and Poverty,"* that under the single tax "we should reach the ideal of the socialist, but not through governmental repression."

This ideal would be reached through the radical change in the distribution of wealth which the single tax would effect. The system, being of general application, would automatically distribute products in two funds. The first fund would consist of the distinguishable earnings of individuals; the second, of the rent or value or premiums for exceptional natural and communal opportunities for production. Among individual workers, the first fund would be divided in proportion to their usefulness; the other fund would go to the community as a whole. The natural law or social force by which this equitable distribution would be made, is free competition, which, like air pressure, so long as it exerts itself not in one direction but in all, produces equilibrium.

To those who understand the true nature of free competition, and do not confound it with the monopolistic phenomena of the present day, which superficial writers mistakenly allude to as "competition," it is perfectly clear how the result outlined above would come to pass under the single tax. But there are those who fail to grasp the idea, and I venture a suggestion.

When it is asked, How would the small farmer, the small manufacturer, the small storekeeper and the wage-worker fare under the single tax, with the big factory, the bonanza farm and the department store ruling the roost? might it not be more pertinent to ask, How the department store, the great factory, and the bonanza farmer would fare, if they could get no one to work for them? Think a moment of the effect the single tax would have

upon the labor market. Everyone who monopolized land that other people wanted to use, would have to pay a tax upon it so nearly approximating its annual value that he could never hope to recoup the tax unless he used the land to its full capacity. He would therefore so use it himself, or would relinquish it to some one else. But land cannot be used on any but a primitive scale without the employment of men. Men must be employed, no matter how much machinery there may be. Machinery will not work itself. Consequently, everybody who owned land would either have to hire enough men to work it to the full, or give it up to somebody who would. In either case the effect upon the labor market would be the same, namely, a brisk demand for labor in all departments and of all grades, a demand that would constantly exceed the supply. Jobs would be hunting for men, instead of men hunting for jobs. The inevitable effect of that would be the disbandment of the army of the unemployed, increase of wages, and the consequent independence of workmen. Workmen, though hired, would then have to be treated as industrial equals. They could no longer be treated as serfs. If they objected to their treatment by one employer, they could easily find others; and if they objected to being hired by any employer, they could themselves become coöperative producers on a large scale, hiring one another.

The way, therefore, in which the single tax would relieve small producers and dependent wage-workers would be by causing favorable conditions in two respects. First, by so increasing the effective demand for labor as to keep it always in excess of the supply; and, second, by clearing the way for successful voluntary coöperative organizations among producers.

The one thing to bear in mind with reference to the single tax principle is that it contemplates the abolition of land monopoly and the consequent freeing of industry from all monopoly shackles and trammels. It would accomplish this by making competition free. Competition being the antithesis of monopoly, to abolish one is to establish the other. To make competition free, therefore, is to apply the natural remedy to the ills that flow from monopoly. Now, all the ills which seem to come from normal production on a large scale are caused by the same monopolistic circumstances that make the evil trust possible. To get rid of them, we must adopt the same remedy that is required for the trust. Free competition must be established.

Whoever will consider what free competition means, will realize the beneficently progressive character of the effects that would be produced by the introduction of a principle like that of the single tax, which is simply an effective method of unshackling competition. With competition freed and monopoly abolished no one could fail to secure his equitable share in the benefits of social growth. To all such the new modes of production which were more prolific and required less labor, would be welcomed as a boon. It is the operation of the principle of monopoly, not of free competition, that makes them now a menace. If the great factory, the department store, capitalistic farming, or any other normal species of large production is a menace to any industrial class, it is not because such method is in itself bad, but because the injured class is divested of its competing power. Restore that power by abolishing monopoly through making competition free, and special difficulties of adjustment which now seem insuperable obstacles, would prove to be

the merest shadows in the path. What labor of all grades needs is not to be helped but to be freed. Being freed, it would help itself. It can be freed only by abolishing the monopoly of land, for land is the native element of labor.

By means of the single tax principle the abolition of land monopoly can be fully accomplished. By means of the single tax method it can be far advanced. Under this simple land reform, sound in economics and unassailable in morals, no one could hold any kind of land out of use without suffering serious and continual loss. Land would have to be used, and be well used, or be abandoned. There would be no profit in mere ownership. That goal being reached—indeed, long before it had been fully reached—trade having meanwhile and by the same method been freed by the abolition of commercial and industrial taxes, and of highway obstacles, the benefits of economic improvement would be generally diffused and the evil spirit of the trust would be exorcised. With the annual value of special landed advantages applied to common use and no longer retained by private owners; with taxes on industry thus made unnecessary, and consequently abolished; with highways freed from special privilege; with unused land everywhere made freely accessible, and the barriers of the industrial corral thus broken down; with demand for productive work thereby made to exceed supply, and through the free interplay of all the economic forces of consumption and production perpetually to maintain that excess,—with these demonstrable effects of the single tax realized, there would be no more possibility of subjugating labor and monopolizing business with paper agreements, than of holding back the waters of Niagara with a paper dam.

PART FIVE

POLITICO-ECONOMIC PRINCIPLES

The basic principle of Economics, of the art of ordering the social relations of mankind, may then be summed up in the one word Justice.

—Lewis H. Berens, in *"Toward the Light."*

Are there no slaves to-day? While we sit here at play,
Have we no brothers in adversity?

None sorry nor oppressed, who without hope or rest
Must toil and have no pleasure in their toil?
These are your slaves and mine. Where is the right divine
Of idlers to encumber God's good soil?

There is no man alive, however he may strive,
Allowed to own the work of his own hands.
Landlords and water lords at all the roads and fords,
Taking their toll, imposing their commands.

—Bliss Carman.

Not ermine clad, nor clothed in state,
Their title deeds not yet made plain;
But waking early, toiling late,
The heirs of all the earth remain.

Some day, by laws as fixed and fair
As guide the planets in their sweep,
The children of each outcast heir
The harvest fruits of time shall reap.

Some day without a trumpet's call,
This news shall o'er the earth be blown:
The heritage comes back to all;
The myriad monarchs take their own.

—Thomas Wentworth Higginson.

Grimly the same spirit looks into the law of Property, and accuses men of driving a trade in the great boundless Providence which had given the air, the water, and the land to men to use and not to fence in and monopolize.—*("The Times.")* I cannot occupy the bleakest crag of the White Hills or the Allegheny Range, but some man or corporation steps up to me to show me that it is his.—*("The Conservative.")* Touch any wood, or field, or house lot on your peril; but you may come and work in ours for us, and we will give you a piece of bread.—*("The Conservative.")* Of course, whilst another man has no land, my title to mine, your title to yours, is at once vitiated.—*("Man the Reformer.")*

—Ralph Waldo Emerson.

Properly speaking, the land belongs to these two: To the Almighty God; and to all his Children of Men that have ever worked well on it, or that shall ever work well on it. No generation of men can or could, with never such solemnity and effort, sell Land on any other principle: it is not the property of any generation.

—Thomas Carlyle, in *"Past and Present,"* Book III, Chapter VIII.

To any plain understanding the right of property is very simple. It is the right of man to possess, enjoy, and transfer, the substance and use of whatever he has himself created. This title is good against the world; and it is the sole and only title by which a valid right of absolute private property can possibly vest. But no man can plead any such title to a right of property in the substance of the soil.

—James Fintan Lalor, in *"The Irish Felon,"* July 8, 1848.

It is easy to persuade the masses that the good things of this world are unjustly divided—especially when it happens to be the exact truth.

—Froude's *"Caesar."*

To affirm that a man can rightfully claim exclusive ownership in his own labor when embodied in material things, is to deny that any one can rightfully claim exclusive ownership in land.—(*"Progress and Poverty,"* Book VII, Ch. I.) So far from the recognition of private property in land being necessary to the proper use of land, the contrary is the case. Treating land as private property stands in the way of its proper use. Were land treated as public property it would be used and improved as soon as there was need for its use or improvement, but being treated as private property, the individual owner is permitted to prevent others from using or improving what he cannot or will not use or improve himself.—(Same, Book VIII, Ch. I.) We should satisfy the law of justice, we should meet all economic requirements, by at one stroke abolishing all private titles, declaring all land public property, and letting it out to the highest bidders in lots to suit, under such conditions as would sacredly guard the private right to improvements. . . . . But such a plan, though perfectly feasible, does not seem to me the best. Or rather I propose to accomplish the same thing in a simpler, easier, and quieter way, than that of formally confiscating all the land and formally letting it out to the highest bidders. . . . . We already take some rent in taxation. We have only to make some changes in our modes of taxation to take it all. What I, therefore, propose . . . . is—*to appropriate rent by taxation.* . . . . . Now, inasmuch as the taxation of rent, or land values, must necessarily be increased just as we abolish other taxes, we may put the proposition into practical form by proposing—TO ABOLISH ALL TAXATION SAVE THAT UPON LAND VALUES.—(Same, Book VIII, Ch. II.)

—HENRY GEORGE.

Hither, ye blind, from your futile banding!
  Know the rights and the rights are won.
Wrong shall die with the understanding,
  One truth clear, and the work is done.
Nature is higher than Progress or Knowledge
  Whose need is ninety enslaved for ten.
My word shall stand against mart and college:
  The planet belongs to its living men!

—*"Liberty,"* by JOHN BOYLE O'REILLY.

CHAPTER I

POLITICAL ECONOMY A SCIENCE OF TENDENCIES

TO the billowy sea of economic phenomena there is a mean level, analogous to that of the terrestrial ocean, The mean level of the ocean is what its level would be if there were no tides nor waves. It is the level at which the tides equilibrate, and toward which wave crests fall and wave hollows rise. This common level to which all undulations tend, affords a stable basis for calculation. No one would think of objecting to it because the waves throw up higher crests and hollow out lower depressions. Nor would anyone for that reason discredit generalizations that depend upon it. No one, for instance, would set up the fact that some ocean waves rise higher than the Hudson river, to discredit the conclusion that the Hudson river must empty into the ocean because its mean level is higher than the ocean's. Yet, with reference to political economy, in which the mean level of the ocean has its perfect analogue, just such objections are gravely raised.

Political economy, which is simply the social economy of mankind as distinguished from the personal economy of individual men, is a science of tendencies. So understood, it is an exact science. Just as the mean level of the ocean may be exactly ascertained, though the waves rise and fall in a way to defy calculation, so the mean level of economic undulations may be exactly determined, notwithstanding the number, variety, uncertainty and

complexity of individual transactions. But there are students of economic science who ignore this, and reject sound economic generalizations, even such as would appear to the untutored to be axiomatic, for no better reason than that they are contradicted by some transitory economic phenomenon. It is as if the greater height of a particular wave, or the deeper depression between two waves, were cited to show that the mean level of the ocean is a mere assumption which facts disprove.

A familiar example of this species of perversity is the denial by some economists that cost of production determines the value of products. Particular products are instanced, the value of which is conceded or shown to be very much above or below the cost of their production, and also of their reproduction. This seems to invalidate the generalization, but it does nothing of the kind. Such instances, like the waves of the ocean, are only undulations. At the mean level of economic phenomena, the axiomatic truth still holds good, that cost of production determines the value of products. Trade being unobstructed, no kind of production can be carried on long with the value of products either above or below their cost. If their value remained below cost, their production would cease for lack of remuneration; if it staid above cost, competition would set in and draw off purchasers. Whatever the undulations in value may at any time happen to be, the cost of products does in general determine the value of products.

Another example of the disposition to discredit sound general principles in political economy by reference to particular economic undulations, is connected with the incidence of taxes. When levied upon a product of current labor, taxes are found to enhance the price of the

product, thus shifting the burden of the taxation from the maker or seller of the taxed product to its last buyer or consumer. The general principle consequently inferred is that taxes on labor products are borne by consumers. But this generalization is often denied because there are instances in conflict with it; as for example, that stamp taxes on proprietary medicines are not always added to the price. Yet that denial is only an instance of disputing the mean level by measuring the altitude of a wave crest. A one-cent stamp tax upon a dollar bottle of medicine might not be added to the price. But this proves nothing except that in that instance the tax is too small to produce its normal effect. A dollar stamp tax upon a dollar bottle of medicine would certainly express itself in the price. So would a tax very much less than a dollar. And if the proprietary medicine happened to be subject to keen competition, even so small a tax as one cent would be shifted to the final buyer.

Any tax upon products, however light it may be, has a tendency to increase their price, just as any pressure upon a wall has a tendency to topple it over. Whether the tendency produces its natural effect must depend in the one case, as in the other, upon such circumstances as its own persistence and the resistance it meets. When a tax is high enough on products to leave the producers no remuneration for their work, the price must go up or production must cease. Men will not produce for nothing. Though some taxes on some products may not for some time be shifted to consumers through higher prices, it is nevertheless absolutely true that at the mean level of economic phenomena, taxes on current production are shifted from producers to consumers, just as in the specific instances of telegraph tolls and express charges, during

the war with Spain, the one-cent internal revenue stamp tax was shifted from the corporations to the persons who sent messages and shipped packages.

Still another sound generalization, probably the most important in the whole range of political economy, is often disputed with no better reason that that it is contradicted by some undulation or other upon the restless surface of economic phenomena. It is the simple but exceedingly luminous truth that demand for consumption determines the direction in which labor will be expended in production. If, for illustration, consumers increase the demand for bread and lessen the demand for beef, producers will quickly respond by diverting some of their energies from beef-making to bread-making. Especially impressive illustrations of this great economic truth are observable when some fashionable product, such as hoop-skirts once were, goes out of fashion. The expenditure of labor in the direction of producing that article ceases at once. Cessation of demand causes cessation of production. On the other hand, when a new product comes into general use, as the bicycle or the automobile, labor turns in the direction of producing it in quantity and quality to meet the demand of consumers. These instances exemplify in a marked way the principle that demand for consumption determines the direction of labor in production. The same principle operates when the change is not so marked. Any variation in demand for consumption tends to cause a corresponding variation of the direction in which labor is expended in production.

But this almost obtrusive principle is often denied or ignored, because in some industries the producer has had to create a demand for his products. From that fact it is argued that, in those cases at any rate, the direction of

production has determined the demand for consumption, and the principle been thus reversed.

Such cases do not rise to the dignity even of exceptions to a general rule. Though the producer does solicit consumers, his production is on the whole only in response to demand, even though he has himself stimulated the demand into activity. It was many years after some bicycle manufacturers began to whip up demands for the "wheel" that a great demand set in; but it is evident that upon the mean level of economic phenomena it is demand for bicycles that turns labor to their production or away from it, and not their production that makes consumers demand them, nor a decline in production that causes demand to fall off.

It is similar with the accumulation of goods in stores in advance of the actual demand for them. Though this seems like an instance of production causing demand, it is in fact a splendid instance of demand causing production. The fact that particular goods are produced in advance of particular demand is immaterial. That is only an undulation on the surface of economic phenomena. They are produced in reliance upon a demand which experience has proved to be constant. Particular goods in great quantity and variety are continually produced to Chicago in advance of the particular demands of Chicago consumers. But this is not because production determines demand. It is because Chicago is known to be a center to which consumers come to satisfy their demands. It is demand for goods at Chicago that brings goods there; not their being there that makes the demand. Goods are never produced in great quantity and variety to prairie hamlets in expectation of creating a demand for them there. Since the usual demand at hamlets is for

a few goods of meager variety, only a few simple goods are produced to the hamlet. It is the character of the constant demand for consumption that determines the production, on the one hand, of great storehouses of goods to a Chicago, and on the other of small supplies to cross-roads stores.

That demand for consumption determines the direction in which labor will be expended in production is an indisputable truth. Any instance which apparently contradicts it is either no contradiction at all, or is analogous to a rolling wave that rises above or sinks below the mean level of the ocean.

The absorption of the pecuniary benefits of material progress by land values, is yet another mean level principle of political economy to which undulatory economists object. When and where land is monopolized, the pecuniary benefits of local progress must add to local land values; and ultimately local land values will altogether measure these benefits as compared with the benefits other localities have to offer. Instances of the truth of this principle are abundant, but no experimental demonstration is really needed. Any celestial visitor who had never heard of political economy, of land, of land values, or of material progress, but whose logical machinery was intact, could reason it out. Given a community in which all the land is monopolized, so that no one can enjoy any of the benefits of living or working there without the consent of some local landowner, obtainable only at a price in competition, and it is inevitable that any advantages which that community has to offer will be charged for by the landowners in higher rents and higher selling prices for land, and that ultimately this charge will come to equal the pecuniary advantages of living or working in

that community. This principle is so evidently universal that it must apply not only to a little community but to the whole world. Yet it also is a principle which has been discredited in some minds by some economic undulation or other.

Such economic phenomena as the fall of farm land values in old England and New England are frequently but quite mistakenly referred to as having completely done away with the principle. While it may be true that these values have fallen as compared with what they were a few years ago, it is not true that they have fallen as compared with what they were 300 years ago. We therefore mistake a fluctuation for a tendency, an undulation for the mean level, if we assume that these temporary depressions of value in recent years are in contradiction of the general principle that land values absorb the pecuniary benefits of progress.

Moreover, and this is the more important consideration, though some land values have fallen in some places, other land values have risen in other places. Before the English land and New England farm-land values declined, Dakota and Manitoba farm-land values were at zero. These have risen as the others have fallen, and manifestly in greater degree. Likewise, as farm-land values have fallen or remained stationary, town values and mine values have risen enormously. The test of the principle is not whether land values for certain purposes or in certain places have risen or fallen. That test would determine nothing but undulations. The real question is whether land values have risen or fallen as a whole. That is where the mean level lies. In fact land values as a whole have risen wonderfully within the past fifty years. There is but little land now in all the civilized world which is not

worth as much as it was half a century ago; and there is much that has multiplied in value a hundred, a thousand, or ten thousand fold.

Even if land values have not yet absorbed all the pecuniary benefits of civilization, their tendency to do so is manifest; and in so far as they fall short of it, the explanation lies plainly in the fact that the monopolization of the earth is not yet complete.

One very remarkable respect in which economists ignore the mean level of political economy, while they concentrate attention upon undulations, remains to be considered. It is, however, more interesting than important; in which respect it differs from the other instances. I refer to their caviling over what is called "unearned increment."

The term may not be felicitous, but it roughly describes increase in land values. Since land values, unlike most other values, tend to increase with advancing civilization, the increase is referred to as an "increment"; and as they are not earned, wherein also they differ from other values, the increment is called "unearned." Hence, "unearned increment." It would be futile now, and is altogether needless, to quarrel with the infelicity of this term. For all practical purposes it is good enough; and it has the advantage of directing attention to the fact that owners of land get a value which they do not earn. The injustice of that is instinctively recognized, and has suggested the propriety of taking the "unearned increment" of land for common use, upon the theory that "unearned" values are rightly common property.

So effective is this suggestion, that special pleaders for land-monopoly are exceedingly cautious about making frontal attacks upon it. Preferring flank movements, they admit that land does take on an "unearned incre-

ment of value; but they assert that this is unimportant because other things besides land do the same. And from that they argue that the "unearned increment" of land cannot fairly be made a common fund unless all other "unearned increments" are similarly treated. Supposing that to be impossible or unjust, they snap their fingers triumphantly and shout, "Check!" or maybe, "Check mate!" Here is a charming example of undulatory economics.

One class of illustrations on which these special pleaders dwell, comprises such unique things as rare coins and old books and pictures. But the increasing value of such objects has no more relation to political economy than your grandmother's portrait has to household economy or her wedding slippers to the shoe trade.

Another favorite illustration is the diamond found in the street. The finder does not labor; for, though there is exertion in his stooping to pick up the diamond, it is wholly disproportionate to the value of the stone. This illustration is quite pointless. There is no "increment" of value, none whatever, to a lost diamond which has been found. Its value is no more after the finding than before the losing. Such value as the finder acquires is only that which the loser lost. The finder truly comes into possession of value without earning it; but the loser owns that value, and if he claims it the law will justly restore it to him.

A far better illustration of the same point was furnished some years ago by a newspaper report of a Western lawsuit. On a certain Western farm, according to this report, an aerolite dropped one night and sunk into the ground. A wayfarer who had seen it fall, dug up the aerolite and sold it to a college for $250. His labor was

so slight, in comparison with that price, that it may be disregarded for the purposes of this illustration. The wayfarer, therefore, would appear to have been the owner of $250 of "unearned increment" to aerolite. But not so. Before the payment the owner of the farm where the aerolite had fallen put in an appearance, claiming the money; and the courts decided that it belonged to him and not to the wayfarer. They reasoned, quite correctly, that the aerolite became part of the land as soon as it fell. So this $250, instead of being an "unearned increment" to aerolite, was an "unearned increment" to land. It is so with nearly all "unearned increments." At the mean level of economic phenomena they attach to land.

As with the Western aerolite so would it be with diamonds found where nature had left them. If you find a diamond in its natural state on a landowner's premises, the value of the diamond is his and not yours. It is an "unearned increment," not to diamond, but to land. If you found it upon public land, it would be yours; and as to that particular stone, you might seem in that case to have acquired an "unearned increment." But this would be in seeming only. At most it would be an economic undulation. That the value of a diamond so found is essentially an "unearned increment" to land may be seen if we suppose, what would naturally be the case, that it is not a stray stone you have found, but a diamond deposit. Should you have found this on private land, the land would rise in value as knowledge of the discovery spread, until all the "unearned increment" to those diamonds had attached to the land where they lay. The same thing, with a difference only as to beneficiaries, would occur if your "find" were upon public land. You,

or some one else, would hasten to acquire private title to the site of the diamond deposit, and through the land monopoly thus created would as landlord appropriate all the "unearned increment," thereby making it an "unearned increment" to land. The history of Kimberley tells that story eloquently.

Analyze the "unearned increments" to other things than land, and almost all of them prove at last to be "unearned increments" to land. All instances to the contrary (such as the finding of a stray diamond without an owner, or the increase in value of relics and rarities), which the most laborious student can discover or the most imaginative controversialist invent, will prove upon investigation to be to the mean level of economic phenomena what rolling waves are to the mean level of the ocean —mere transitory undulations.

Very much of the deferential quarreling among economists might cease were the fact more clearly recognized that economic phenomena have a mean level toward which all undulations tend; if it were better understood, that is, that political economy is a science of tendencies. In a way, this is recognized. But the recognition is quite perfunctory. It is, indeed, only verbal, as a glance through almost any book on the subject will show. Modern text-books in political economy are given over largely to erecting sectional views of economic undulations. And this is not so much for the purpose of coming at the mean level in that needlessly difficult way, as to show that there is no mean level at all, but only a vast confusion of tossing waves and tumbling billows.

CHAPTER II

FREE COMPETITION

THAT free competition has had its day and is destroying itself, is regarded as one of the established facts, not only by superficial observers of economic phenomena, but also by the "scientific" cult in economics. Why a notion so manifestly erroneous should be regarded as scientific, is itself a problem. It may possibly be explained by the abuse in economics of what is known as the "scientific" method. Economic "scientists" are so deeply absorbed in the contemplation of multitudinous and multifarious minor data that they often give but scant attention to familiar and simple major data. They cannot see the forest for the trees, nor the city for the houses. They overlook the mean level of economic tendencies in their statistical studies of economic undulations. In their perspiring effort to accomplish a monstrous and impossible task in synthesis, they neglect logical analysis altogether. Overtraining seems to have undone them. It is known to have that effect upon the body; why not upon the mind?

But whatever the explanation of this "scientific" absurdity may be, the proposition that competition has had its day and is destroying itself is false in both its branches. It is false in its assumption that there has been, in fact, an era of free competition within historic times; and it is false in its theory that competition destroys competition.

What everybody means by free competition is free bargaining. This is not to say that the term is never

used to include more than that idea. Unhappily it is so used altogether too often. But as it always does include that idea, it cannot comprehend another and discordant idea without carrying a double meaning. Anyone has a right, of course, to use words with double meanings; but persons who do so are necessarily ruled off the forum of sane and serious discussion. No degree of liberty in the choice of words, nor any extent or antiquity of verbal usage, will justify in scientific discussion or investigation the ascription of discordant meanings to a distinctive term. Inasmuch, then, as free competition always does comprehend the idea of free bargaining, and cannot, therefore, be legitimately used for economic inquiry as including any idea inconsistent with that one, we are fully warranted in saying that free bargaining is synonymous with free competition.

Divested thus of the conflicting and confusing meanings of loose usage, competition is instantly recognized as the name of a principle of social or industrial life which has never been given full play. Though it has approximated freedom at times on the frontiers of civilization, and within the narrow boundaries of those primitive communities has worked well both in economics and morals, there is no record that the civilized world, considered as one community, or even any nation so considered, has ever had an opportunity to test it.

For monopoly in some form has always characterized historic civilizations; and when and where there is monopoly, and to the degree that there is monopoly, then and there and to that degree competition, or free bargaining, is impossible. Where slavery is, competition is restricted; the slave cannot make free bargains. Where private corporations control the highways of commerce,

competition is restricted; producers and consumers cannot make their reciprocal trades without paying tribute, and tribute is inconsistent with free bargaining. Where protective tariffs prevail, free bargaining is prevented, not only obviously but also with deliberate intent. Where revenue tariffs and taxes are imposed upon producers and consumers, as such, free bargaining is obstructed. Where mines, and oil wells, and salt deposits, and forests, and rights of highway, and terminal points, and farming places conveniently located, and city building-lots, and water power, and all the innumerable provisions which Nature has made for human use—where these are monopolized, free bargaining is nothing but a free farce. There cannot be free bargaining when either of the bargainers in a trade has a legal or institutional advantage, or staggers under a legal or institutional disadvantage.

It is true that in modern times monopolies themselves are subjects of free competition between monopolists. We have "free trade," so-called, even in that greatest and most fundamental monopoly, the monopoly of the earth. But this does not alter the question. If monopolies obstruct competition, they will obstruct it none the less for being made subjects of competitive purchase and sale. Though this may operate to shift the monopolists, the monopolies still hold sway; they still abridge free bargaining, still interfere with free competition, on the part of all whose transactions come within the influence of their tribute-exacting power. What of it, if all are free to bargain for an interest in a railroad right of way or terminal privilege? What of it, if anyone may have a place upon the earth if he can get it by bargaining? To argue that this is free competition, that this is free bargaining, is like saying that there is no slavery

where slaves have the right to buy their freedom at the market price. Freedom to trade one's own labor for a right which in common justice belongs to him without labor—as the right to breathe, the right to be free, the right to work, the right to go to market, the right to a place upon the earth, the right to share in the benefits of common development—is not free bargaining.

And when in the history of our civilization have the obstructions to competition noted above—when have some or all of those monopolies, with their complex variations, not been in vogue? One of them, the monopoly of the earth, has attended the development and strengthened with the advances of civilization from the earliest times. Yet economic "scientists" teach that free competition has had its day!

Not only have we never had an era of free competition, but such limited competition as we have had or have now is not being destroyed by itself. That it is being destroyed is quite evident; but competition is not destroying it. What is destroying it is the natural antagonist of competition—monopoly.

As already indicated, our civilization is impregnated with institutional monopoly. Though its outward form is competition, and though more or less freedom of competition has vitalized it, the seeds of the monopoly disease have always been in its system. Under the influence of miraculous progress in the production of wealth, this disease has rapidly gained headway, and as it has advanced the influence of competition has naturally receded. Only by ignoring the fact of institutional monopoly is it possible to infer with even an approximation to scientific precision that competition is destroying itself. To consider the fact of monopoly, but to regard it as the natural

(or must we say "scientific") outcome of competition, is a little like regarding weeds in the corn row as the "scientific" product of seed corn in the hill. Whenever of two conflicting forces—and that is what competition and monopoly are—one comes under the sway of the other, it is not usually considered scientific to conclude that it has destroyed itself and produced the other. The usual, not to say necessary, conclusion is that the one force has for some reason been overcome by the other. Yet economic "science" encourages the notion not that monopoly is overcoming competition, but that competition is overcoming itself and creating monopoly!

Briefly stated with reference to current problems, the misleading theory of such "scientists" is that free competition has had a trial in which it has destroyed itself and produced monopoly in the form of trusts. And this absurd misconception has taken root in popular thought. The industrial pressure which is forcing masses of the people deeper into a condition of helpless dependence, where squalid poverty and carking fear of poverty in the midst of luxury make life bitter and unwholesome, has tremendously stimulated economic discussion among the masses of the people. The most pronounced characteristic of this discussion, however, is its confusion. In that respect it may be fairly compared with the confusion of tongues at Babel. Such variety of opinion prevails among different schools of social reformers that effective concert of action is hopeless. The luxurious and domineering beneficiaries of the existing industrial regime might safely say to these reformers: "When you agree among yourselves upon what to do, we promise submission to your decision." There would be no decision to submit to, because there is no community of opinion.

Yet the reason for the confusion may be traced to disputes about the single economic principle—or, may be, it is only a misunderstanding of the significance of the single economic term—competition. Whenever there are grounds for supposing that a dispute, instead of turning upon the substance of an idea, turns upon the significance of a word, it is best, if possible, at the outset at any rate, to avoid using the ambiguous word. That many disputes do turn upon mere words is matter of common observation. It is inevitable that they should do so. For words connote or suggest, quite as distinctly as they denote or specify. Indeed, the ideas that words connote are often more vivid than those they denote. Though you define your term never so nicely, yet if it be a common word with different connotations in different localities or to different minds, mental confusion and consequent disputes cannot easily be avoided by precise definition. This is especially true with minds untrained in precise thinking. It is true also with those that are trained to loose thinking.

Illustrations are abundant. For example: The term "provincial" has the same primary meaning wherever English is spoken. Yet the ideas which it connotes to the British Columbian are in one respect opposite to those which it connotes to the Londoner or the Bostonian. As the inhabitant of the Province of British Columbia has learned to contrast his municipalities with his Province, somewhat as we contrast our States with our nation, "provincial" is to him a term of large significance, like our term "national." When he wishes to dignify an industrial enterprise or a political measure, he describes its character as "provincial," thereby intending to suggest that it is vastly more important than if it were an enterprise or measure of merely local concern. But to the

Londoner or Bostonian, "provincial" suggests a contrast of what is local with what is metropolitan. To the latter, therefore, the term connotes ideas of pettiness or inferiority, while to the British Columbian it connotes ideas of greatness or superiority. How easy it might be, then, for a Londoner or a Bostonian to fall into interminable dispute with a British Columbian over some question of "provincialism" regarding which they were really in agreement. It would be almost unavoidable even if they began with a precise definition of the term "provincial." For notwithstanding their agreement as to the denotation of the term, its conflicting connotations to which they were respectively habituated would constantly obtrude to promote misunderstanding between them.

Another illustration of the difficulty of avoiding confusion of thought by separating the ideas that a word connotes from those which it specifically denotes is afforded by the subject here under consideration. Most if not all the disputes among social reformers over the justice or injustice, the wisdom or folly, the righteousness or wickedness, the benefits or injury that are due to competition, rest upon conflicting impressions as to the significance of the term. In economic thought, when precise, "competition" is a term which denotes individual freedom in industrial affairs—free bargaining, as we have already defined it. It excludes all idea of arbitrary industrial control of any person by others. But through colloquial and other loose usage, the term has come to connote ideas the very reverse of this. For that reason a discussion of the law of competition which begins with a definition of the word, is in danger, notwithstanding precision in defining, of being misunderstood by persons to whom the word habitually connotes ideas

at variance with the definition. Since, therefore, the use of the term "competition" may turn attention away from the essential idea under consideration, and produce needless conflict of opinion, we should seek other forms of expression until we can bring clearly within the apprehension the substance of the idea involved. The idea is the thing, not the word. In what follows let us aim to conform to this principle.

Economic adjustment always must offer for adoption two, and only two, possible forms—the monopolistic, and the coöperative. Monopoly implies compulsion, and is the opposite of coöperation. It does, indeed, resemble coöperation, for it is a form of united industrial effort. But slave systems resemble coöperation in that sense. All production is through union of industrial effort; but compulsory union is a radically different thing from voluntary union. What distinguishes monopoly from coöperation, and puts them at opposite poles, is the compulsory character of the one and the voluntary character of the other.

Monopoly is a form of economic adjustment which is to be avoided whenever and wherever possible. For compulsion is abhorrent to democratic principles. To empower any man to compel others to serve or to put them at a disadvantage in contracting to serve, is to establish the principle of slavery. Monopoly is, indeed, a species of human slavery. Nor would it be any the less slavery if government instead of individuals or corporations were the master.

With the development of industry, some kinds of service become naturally monopolistic. The water supply of a city is an illustration. Cities cannot be supplied with water except through monopolistic methods. In all such instances there is no choice between monopoly and

no monopoly; the choice is only between monopolists. And when that is the case there can be no reasonable question that as between the public or community as a whole, and private individuals or corporations, the public is the preferable monopolist. But so long as an occupation is not necessarily and essentially monopolistic, the minds of free men will justly revolt at the thought of turning it into a monopoly under either private or public control.

To coöperation, then, as distinguished from monopoly, the democratic mind must turn for industrial development and industrial justice, barring only those exceptional occupations which are necessarily or in the nature of things monopolies.

But coöperation must mean something different from what is usually understood by socialism. That is enforced coöperation, and therefore monopoly under another name. It is infected with compulsion, which is the distinguishing characteristic of monopoly. True enough, socialists insist that there would be no compulsion in the Socialist Commonwealth. But that is their inference. Others as competent to judge as they, infer that there would be compulsion.

Coöperation must also comprehend more than is implied by the organizers of profit-sharing societies and schemes, who have of late years appropriated the word. It must be taken to signify that world-wide combination of effort in supplying human wants which is effected by the voluntary interchanges of labor.

But in the interest of justice, how are these world-wide interchanges of labor to be regulated? Who shall work? How much shall the workers do? What shall they do? For whom shall they do it? How much shall they receive? And who shall decide?

Under a monopolistic regime those questions would be decided more or less arbitrarily for every one by superior authority—by trusts, if the regime were one of private and corporate monopoly; by governments, if the monopoly were public or socialistic. But in both there would be arbitrary compulsion, which is to be avoided if possible.

Coöperation avoids it—coöperation, that is, in the fullest and broadest sense of the term, and as distinguished from monopoly—by making every man free to decide the questions for himself. Under a regime of coöperation each would work if he wished; each would work as much or as little as he wished and receive in proportion; each would work at what he preferred; and each would work for whom he chose, subject only to that person's corresponding right of choice. By what method coöperation would effect this result is the next point of inquiry.

No patent device for social reform is here set up. We are simply investigating, and trying to adjust social conditions to the operation of natural law. The natural law of social adjustments must be sought for in the laws of human nature. Seeking there, Henry George asserted the following as fundamental: "Men seek to satisfy their desires with the least exertion." This is a law which, as he explained, "is no more affected by the selfishness or unselfishness of our desires than is the law of gravitation." Let a man's desires be what they may, selfish or unselfish, in endeavoring to satisfy them he will seek the line of least resistance. It is this law, this universally recognized fact, and not an assumed principle of human selfishness, that regulates industry in free coöperation.

Monopoly, whether private or governmental, obstructs the line of least resistance and thereby forces men to

seek the satisfaction of their desires, selfish and unselfish, with greater instead of least exertion. But all this would be changed by abolishing monopoly in every vocation in which it is not a necessary condition, and private monopoly altogether. Unnecessary obstructions along the line of least economic resistance would be thereby removed, and each man would acquire full economic freedom to satisfy his own desires in the way that seemed easiest to him. The only restraint upon this natural impulse of his would be the equal economic freedom of everyone else. And that would be restraint enough. He would then coöperate with his fellows, from time to time or all the time as he pleased, upon terms mutually desirable, and only upon such terms. Neither trusts nor governments would be his master. Selfishly or unselfishly, it matters not which, except to his own character, he would be master of himself.

But a coöperative regime in which everyone is master of himself must be a regime of free bargaining, of free competition. Not only does free competition alone make such coöperation possible, but so long as it exists competition will persist. Self-mastership and free competition are inseparable. To weaken or abolish either is to weaken or abolish the other. Monopoly implies mastery by some of others, be the monopoly private or governmental. Free competition implies individual freedom. It is only under free competition that all men can be at liberty to satisfy their desires, selfish or unselfish, with what appears to them under all the circumstances to be the least exertion.

In the absence of legal restraint, competition exists as an expression of the Georgian law quoted above—the law that men seek to satisfy their desires, selfish or un-

selfish, with the least exertion. But there are, as this law implies, two kinds of competition. They may be distinguished as "altruistic" and "egoistic."

If all men were unselfish, each seeking primarily the comfort of his neighbor, we might have "altruistic" competition, in which every one would compete for opportunities to give the most service for the least service in return. And if they were all free, the conflict between them would produce an equilibrium, not at the least return nor at the greatest expenditure of service, but at the point of fair exchange. For, traders to whom much service was offered in return for little, being as altruistic as the others, would generously refuse to take so much for so little, and a "higgling" would ensue until the just equilibrium had been established. So long as all were sincerely altruistic this would be the result of their dealings. It would make no difference for how much less than it was worth any man insisted upon rendering service. Since all would with equal strenuousness oppose receiving service except for its full value or more, the competition—"altrusistic" competition—would produce an equilibrium at the point of equality of benefit.

But "altruistic" competition could thrive only in communities where all were altruists. If there were an element of selfishness in the community, it would hopelessly disturb the equilibrium. Imagine the effect in physical affairs of atmospheric pressure at 15 pounds to the inch in some directions, and less than 15 in others, and you get some conception of what the economic effect of "altruistic" competition would be in a community where all were not altruists. There would be no equilibrium of exchange. When altruists offered to render service for less than it was worth, non-altruists would do no

higgling, but would clinch the bargain at once. The final result in that community, if altruistic competition continued, would be a division into classes of altruistic poor and selfish rich. The altruistic class would render most of the service, and the other class would get most of the benefit. The nearest approach to altruistic competition of which we have any record prevails at the present time—not in spirit but in practice. Though the great working masses may be no more altruistic in spirit than the classes their labor enriches, they nevertheless exchange their labor upon altruistic terms, rendering more service than they receive in return.

"Egoistic" competition, on the other hand, when operating in like free conditions, maintains the just equilibrium of exchange everywhere—in communities that are all unselfish, in those that are all selfish, and in those that are mixed. Under a regime of "egoistic" competition no one would offer his service for less than he believed it to be worth, and many would ask more. This would generate a conflict, not of each to give much for little, as in "altruistic" competition, but of each to give little for much. But if all were free the result of this competition would be exactly like that of "altruistic" competition. The competitive pressure being equal on all sides, it also would produce an equilibrium at the point of fair exchange.

In the result, however, this difference would appear: Whereas selfish traders could disturb the equilibrium of "altruistic" competition, they could not disturb that of "egoistic" competition. The persistent equal pressure of self-interest in all directions would force them to make fair bargains. The better it is understood, the clearer it will be seen that "egoistic" competition is a natural law

for compelling the selfish to be fair and the unrighteous to be just.

And it rests upon an immutable principle, namely, that every man must live his life from within outward. No one can live from others to himself. He must live from himself to others. Selfhood is the base line of all social triangulation. The principle finds its highest expression in the golden rule: "Whatsoever ye would that others should do to you, do ye even so to them." This is a law of justice, not of altruism. It would be impossible to give it altruistic expression. The law of justice demands, what, in economics, laws of human nature enforce, that each shall look out upon all his brethren as from the center of a circle. He knows his own sensations; he cannot know theirs. To be just, therefore, he must do to them as he would have them do to him. It is the only way. And when men engage in interchanging their labor or its products for mutual satisfaction, each must fall back upon his own sensations in laboring as the test of the reward he will demand from others. There is no other test. Then by the pressure of his offers and demands in an open and free market where all are equal, upon the offers and demands of his fellows, a just ratio of labor exchange is established. That pressure is competition, "egoistic" competition, which is the economic expression of the spiritual law phrased in the golden rule.

Even if this were less desirable than "altruistic" competition, the latter could be advocated only as an admonition to the individual and not as a social reform. For altruism enforced by law, if such a thing were possible, would be only less odious and no whit less menacing than monopoly enforced by law. Though it is every man's right, and may be every man's religious duty, to love his

neighbor better than himself, it is no man's right, either as voter, legislator or czar, to compel another to do so.

The function of the law is to secure to all equal rights to satisfy their desires with the least exertion. Whatever is necessary for this purpose it is the right and duty of government to undertake. Beyond that, government cannot go without menacing liberty. So long as individuals satisfy their desires justly, without trespassing upon the rights of others, it is for them—not for government—to decide whether their desires shall be selfish or unselfish. Though altruism as a principle of individual conduct may rank highest in the list of human virtues, as a social reform to be enforced by law it is impossible of accomplishment, impertinent in design, invasive in conception and reactionary in tendency.

Let us secure to all men—not to some, but to all—freedom to satisfy their desires, selfish or unselfish, with the least exertion (which can be done only by freeing competition from monopoly), and we may safely let each man be as generous or as niggardly as he pleases.

When the real nature of competition is considered, it is difficult to understand why any thoughtful man should ever have doubted its usefulness. But thoughtful men have done so, and the reason is not very far to seek. In the first place, teachers of political economy have persistently taught that competition and selfishness—selfishness in the sense of greed—are synonymous, and that competition is an animal-like struggle for existence. Nothing could be farther from the truth. As we have already seen, selfishness may or may not be the motive in competition. Whether it be or not, in any given case, is immaterial to this inquiry. The part that competition plays

in society is not as a minister to greed, but as a minister of justice in exchange.

As Henry George truly said in his posthumous book: "There is no measure of value among men save competition or the higgling of the market." It is only by this means that workers can measure the value of their work so as to exchange it among themselves fairly and justly. Each understands and can appraise the irksomeness of the labor he himself does, better than he can understand or appraise that of the person with whom he contemplates an exchange. It is natural, therefore, that he should endeavor to adjust his trades from the view-point of the irksomeness of his own labor, rather than from that of the irksomeness of another's labor. Yet each is checked from appraising his own labor exorbitantly, by others who would compete if he demanded a larger return than that for which they were willing to endure the same degree of irksomeness. And if all are free, with equal access to natural and social opportunities, this competition could produce but one effect—an equilibrium of exchange at a point at which neither party to the trade gets more or gives less than is just. While it is true that parties to trades may be actuated by selfish motives in their competition, it is equally true that they may be actuated by unselfish motives. And be their motives good or bad, the net result of their competition, if they compete in freedom, is a just equilibrium of value. It is justice, not greed, to which free competition really ministers.

But under existing arrangements competition is not free. This is a second reason why some thoughtful men have been misled into supposing that competition is neither useful nor right. Monopoly having intervened, all competition is affected by it; so that what we are

accustomed to regard as competition is not free competition at all, but at the best is only jug-handled competition.

When an importer who has been forced to pay customs duties in order to maintain protected monopolies, offers his goods for sale in competition with one who has smuggled his goods into the country, the competition is one-sided. When a farmer, who has paid to a railroad monopoly in freight rates all the traffic will bear, offers his produce in competition with a favored shipper who is allowed rebates, the competition is one-sided. When landless workingmen, who must get work or starve, offer their services in competition with one another in a labor market which has been glutted by monopolization of working opportunities—when they offer their services in these circumstances to men who control more or less of the monopolized opportunities, the competition is one-sided. If, instead of the condition which these illustrations suggest, we had a condition in which there were no tariff duties to be paid by some and evaded by others; in which highway rights were equal, and no private monopolist could deal out highway favors; in which all land not in use were everywhere open to its appropriate use without blackmail; in which, in short, every exchange were essentially an exchange of labor—if that were the industrial regime under which we live, then the usefulness, the beneficence, the indispensability of competition would be as obvious as the usefulness, the beneficence, and the indispensability of gravitation.

And it is altogether a begging of the question to say that the present jug-handled regime is a natural and inevitable outgrowth of the competitive idea. As well argue that a one-legged man owes his misfortune to the fact

that men have legs. If men didn't have legs, we should have no one-legged men. So, if it were not for competition, we should have no jug-handled competition. But one-legged men owe their misfortune to interference with legs, not to the leg idea. Likewise we owe jug-handled competition to interference with competition, and not to the competitive idea. It is monopoly, not its antithesis, that distorts, disarranges and demoralizes our industrial system.

A third reason has contributed to the error. This reason springs out of the mediation of money in trading transactions, coupled with the custom of trading monopolies indiscriminately with other things. As money is exchangeable for anything in the market, the establishment of monopolies enables monopolists to get money without laboring. The real character of competition in trading—exchange of labor for labor—is thus completely hidden from common observation, and also from a good deal of observation that is not common. Trade comes to be in appearance an exchange of something for money; and competition to be a struggle between those who haven't money, to get money from those who have it. The whole social organism is turned upside down and inside out. But it is the abolition of monoply, not of its opposite, competition, that would correct this. If monopoly were abolished, we should soon distinctly see, in spite of the obscurity which the use of money introduces, that trade consists essentially in exchanges of labor for labor, and that competition is the natural and only just regulator of values in these exchanges. For if monopoly were abolished, none could get products of labor except by laboring, and each would get these prod-

ucts in proportion to the usefulness of his labor. Money would then represent labor, and nothing but labor.

The true work before us, then, the work that will count both in the doing and in the fruition, is to abolish monopoly and restore freedom to competition. Where monopoly is inevitable, as in water supplies for cities and the like, the service that is subject to it must be assumed by the public, to the end that in other vocations competition may be freed; private monopoly in anything tends to destroy competition in all things. Freedom of competition must be the aim in every movement. The other direction leads to monopoly. To these two the choice is confined. There is no middle ground. Instead of trying to guard men in their economic relations with a legal network, let us set men free—free to labor as they will, free to trade where they will, and free to dispose of what they earn as suits them best—so that each can guard himself in his own economic relations.

If that is desirable—and really is it not the only thing worth fighting for?—then we must achieve it by making competition free. Free competition, and that alone, can secure economic freedom. Without it we have monopoly. And an economic state organized upon monopoly principles would be intolerable, whether governed by a trust magnate, a political boss, a trades union leader, a majority of the people, or even the most amiable altruist who ever loved his fellow men.

CHAPTER III

THE LABORER AND HIS HIRE

ALONG with the notion that competition is selfish, goes the feeling that there is something wrong about taking pay for rendering service. This feeling is quite general with reference to altruistic work. It is very common, for instance, to suppose that there is something sordid about preaching for pay. The allusion, though usually to preachers of conventional religion, is directed at all apostles of vital truth. In its more general form this condemnation of preachers of truth who exact pay for preaching, rests upon the theory that the truth should be free, and that he who charges for preaching it thereby discredits both himself and his cause. Is it, then, the duty of preachers of truth to preach without pay?

In making this inquiry, the difference between preaching truth and making truth known, must be distinguished. It is one thing to exact pay for disclosing truth as occasion for disclosing it occurs, and quite a different thing to exact pay for devoting persistent labor to its exposition and propagation.

A blacksmith, for instance, who had awakened to a consciousness of some moral or economic or religious truth, the acceptance of which would augment the happiness of mankind, might be censurable if he refused to make it known. In fact there would be no danger of his refusing. The impulses of his nature would make him proclaim it. His neighbors would need no thumbscrews to force him to deliver his message, though they

might at times wish for a lockjaw to make him hold his peace. As with the blacksmith, so with men of all vocations. We may at once concede that it is the duty of everyone freely to make known the truths that come to him; and, for the sake at least of directness of inquiry, that it is a duty which if neglected entitles others to complain of the breach. In a word, we may agree that the revelation of truth without money or price is a universal duty; at the same time protesting, however, that the point is unimportant, since human nature is so constituted that this duty is self-executing.

But it does not follow that he who sees a truth must quit his regular vocation, or even trench upon its demands, to devote himself to teaching and preaching without pay. He is under no obligation, for the breach of which others may justly complain, even to surrender his leisure hours to this work. That he may make such work his play, refusing remuneration, is too obviously true to call for more than passing mention. It is also true that he may be under a spiritual obligation to the great Revealer of all truth, who has intrusted him with a message to the world, to drop his nets and become an unpaid fisher of men. But, clearly, if he has any duty to work without pay for the propagation of his truth, it is not a duty in any such sense as involves a corresponding right on the part of his fellow men to complain if he refuses to do the work or if he exacts pay for doing it. And that is the determining point. When we criticize preachers for exacting pay for preaching, we imply not that they are false to their direct personal obligations to God (for this is none of our business), but that they are false to their obligations to us.

It will hardly be insisted that any such obligation really

exists, and we may pass on to other considerations. By dint of a little probing we shall find that no one really expects preachers of truth to devote themselves to their cause literally without pay. It would be absurd to expect this, whether as a matter of duty or otherwise. Even preachers of truth must have food and clothing and shelter. And if the truths they proclaim are to gain listening audiences, preachers must live as well as their auditors are accustomed to live. The question is not whether they shall preach for pay. It will be acknowledged that they must have pay. The real question is whether they shall exact pay for their work, as other men do for theirs, or shall subsist precariously upon the proceeds of miscellaneous beggary—that is, upon what is given them as charity for their support, as distinguished from what is paid to them as hire for their work.

The right of preachers to adopt the beggary plan, no one is at liberty to dispute. One may express doubts of its effectiveness in this age, may refuse to drop pennies into the outstretched hat, or may hold aloof from all that pertains to it. But preachers are at liberty to do it if they wish to. Only as it is commended as something which all of us ought as preachers to adopt or as supporters of preachers to approve, has anybody the right to protest. When it is so commended, then there is occasion for an exercise on the part of some of the rest of us of that self-executing duty which consists in proclaiming truth freely. We must strenuously insist that no one is bound to preach without pay.

For all regular work, adequate pay should be regularly exacted. This is a natural social law which cannot be systematically violated without disturbing the social equilibrium. Systematic violation by means of force, produces

slavery; systematic violation by means of generosity, produces beggary. Either impoverishes the worker and pampers the idler, thereby doing an injury to both.

There is no difference, in the economics of it, between the preacher's vocation and other useful employments. If it were a duty of preachers to work without regular and adequate pay, then it would be a duty of choirs to sing and of organists to play without regular and adequate pay. It would also, in that case, be the duty of the sexton to care for the church without regular and adequate pay. And, going back of these examples, it would be the duty of religious masons and carpenters to build churches, of religious lumbermen and quarrymen and miners to furnish materials, and of religious transporters to carry them —all without definite or adequate pay. For these workers are in those connections but coadjutors of the preachers in the labor of propagating such truths as churches have to offer.

Precisely so with preachers of other than ecclesiastical truths. When they devote themselves to the exposition and dissemination of such truths, they become, literally in the economic sense, laborers in that field. They are workingmen as truly as a blacksmith is; and the problem of their livelihood is precisely the problem of his: to get an equivalent for what they give, and to give an equivalent for what they get. The fact that blacksmiths embody one variety of truth in horseshoes, while preachers embody other varieties in sermons, or essays, or books, or lectures, or speeches, or poems, or pictures, or songs, makes no economic difference. The laborer who devotes himself to writing useful books or essays or poems, to delivering useful sermons, lectures or speeches, to painting useful pictures, or to making harmonious music, is as

worthy of his hire as are the laborers who manufacture the paper and ink and type of which books are constructed, the buildings in which lectures and speeches are delivered, the canvas and pigments that make paintings possible, or the instruments from which the musician evolves his harmonies. All this work is coöperative, and one of the coöperators can no more justly or wisely be relegated to mendicancy than the others.

There is a difference, to be sure, between exacting pay for work, and working for the purpose of exacting pay. The preacher or writer, including teachers of all kinds—and including, for that matter, the workers in every field—who works merely for the sake of pay, is not a true workman. He lives for himself alone, and for the lower part of himself at that. Useful work is, as the adjective implies, work which on the whole is done not only for the sake of the worker but also for the sake of others. But this question of being a worker merely for the pay, brings up only the individual motive, and, therefore, concerns only the individual. Another has no right to judge him. The motives of his actions may raise an issue between himself and his Creator; they raise none between himself and his fellow men.

The strong feeling against exaction of pay for preaching truth, which prevails among the more ethereal agitators for social regeneration, may well proceed from the disordered conditions that legalized monopolies engender. From confusing exaction of pay for privileges with exaction of pay for work, to advocating the total abnegation of pay, is an easy transition of thought. The abolition of pay for preaching naturally stands out prominently in this programme of communism. But all exactions of pay are regarded by the communist as sordid,

unbrotherly, and spiritually degrading; and consistently so, for if it is sordid to exact pay for any kind of regular service, it is sordid to exact pay for any other kind.

Whether or not the idea that exacting pay for service is unbrotherly really results from considering social conditions without discriminating between the effects of monopoly and those of competition, it certainly is no result of any balanced inquiry into the nature of things.

Reflect a moment upon it:

Exchange of work is the law of social existence This is a proposition which no one will dispute.

If exchange becomes unbalanced, so that some get more than they earn while others are forced to earn more than they get, society falls into disorder. Neither is that proposition open to controversy.

The social problem, therefore, is how to secure a practical equilibrium of exchange at which the work that each does for others shall be approximately equal in usefulness to the work that others do for him.

Obviously, that equilibrium cannot be approached by means of slavery. Slavery takes forcibly from workers for the benefit of idlers. Neither can it be approached by creating legal privilege, which is essentially a form of slavery—a subtle form, but slavery none the less.

Can it, then, be approached by some voluntary mode of working regularly and mutually for one another without exacting regular and fair exchanges? Possibly. Whoever denies this assumes a power of fore-knowledge which no human mind possesses. A world is conceivable where each would work faithfully to help fill up a common storehouse, drawing from the storehouse only what he needs. In such a world, though some would get more than they earned and others earn more than they got, each

would act voluntarily and none could complain. But if it is an unwarranted assumption of fore-knowledge to deny such a possibility, it is still more unwarranted to assert it. So far as human experience throws any light upon the question, a fair adjustment of work under such communistic conditions is possible only in societies where each is bound to all by religious inspiration and obligation. A single bull in that china shop would raise havoc with the adjustment.

It is consequently reasonable to infer that the communistic method of distribution will not secure an approximately equitable adjustment of work-exchange, in society at large, unless each member of society comes under the influence of the religious impulse—of the impulse, that is, which obliges him to love his neighbor equally with himself. There is a possibility, of course, that this condition, too, would result from communism. But at the present stage of development, he who denies it has the better of the issue, upon the circumstantial evidence.

Now, when we consider the effectiveness in maintaining a just equilibrium of distribution, which the exaction of pay for work produces to the extent that its operation is undisturbed by legalized monopoly, we may fairly ask an explanation, a more rational one than has yet been put forth, of the necessity, in the interest of equity and brotherhood, of trying to adopt a method which cannot operate justly unless all whose interests it involves become just. To work without exacting pay is to refer the question of equity in distribution to only one of the parties concerned. What equitable necessity is there for that? None at all. The principle of exacting pay for work is incalculably better. For this principle refers the question of equity in each case to the mutual agreement of

both parties concerned. It refers it to the two persons who are necessary to any exchange, and who are the only persons capable of judging its equities. They must agree or there is no trade. If, therefore, the trade would be beneficial to both, they will agree. And if they are economically equal, they will agree equitably.

To the fair operation of that principle of exchange only one thing is necessary. It is the abolition of monopoly, the abolition of every privilege created by law which directly or indirectly gives to one party to a trade an advantage over the other.

To urge communistic ideals regarding obligations to work without exacting pay, instead of urging the abolition of monopoly, is therefore very like dreaming away the hours when active and sane agitation is imperatively needed, as if they were the listless hours of that drowsy place where it is always afternoon. Whatever ideal of social reform may be ultimately realized, the first rational movement must be the clearing away of obstructions to the exchange of work upon the basis of exacting pay. Though the time may come when each will put into a common store-house according to his abilities and withdraw from it according to his needs, he being himself the judge of both, the time that now is demands that each shall put into the store-house the equivalent of what he takes out.

CHAPTER IV

THE WAGES SYSTEM

IN any general classification of economic phenomena, the returns which one exacts and receives for his work would be considered as his wages, no matter whether he exacts and receives them by making and selling things, or by hiring out to an employer. Even the things he makes himself and consumes himself go into the category of wages. In other words, wages are the returns for work. But there is a narrow use of the term, in vogue especially with business men, but common also with socialists, which restricts its meaning to the stipends that mechanics and unskilled laborers receive of employers. Clerks do not get "wages"; they get "salaries." Employers do not get "wages"; they get "profits." Professional men do not get "wages"; they get "fees." But ordinary laborers who hire out to an employer, they get "wages."

This looseness of nomenclature has been encouraged by the mystification theories of political economy that have been running their course through American universities, like the whooping cough or the measles through a district school. The most prominent characteristics of these mighty triflings with the human reason are infinite detail and slovenly classification. They are often so absurd in those respects as far and away to outdo old Polonius in his analysis of the drama into "tragedy, comedy, history, pastoral, pastorical-comical, historical-

pastoral, tragical-historical, tragical-comical-historical-pastoral, scene individable or poem unlimited."

This lack-method method of university "economics" tends to give "scientific" sanction to the notion that the phenomenon of employer and hired men, the hired men who get "wages" as distinguished from those who get "salaries," "fees," etc., is different from the general phenomena of the exchange of services in trade. The supposed difference is usually distinguished by referring to that phenomenon as "the wages system."

The plutocrat stubbornly clings to "the wages system" as something good, while the socialist wishes to abolish it as an unmitigated evil. Both see it, however, in the same way. They see it as Talmage and Ingersoll saw religion, upside down; and like Talmage and Ingersoll with inverted religion, one likes it and the other doesn't. According to this economic concept, labor is a commodity. It is bought and sold in the markets; and its price, like the prices of other commodities, rises and falls with the fluctuations of demand and supply—the demand that affects labor price being demand of employers for wage workers, and the supply being the supply of men willing to be hired.

To the socialist "the wages system" is a system of slavery, the wage worker being forced by it to sell himself from period to period, for life, in a market glutted with wage workers. To the captain of industry it is a convenient system—he would not call it slavery, for he doesn't like the word—of making "capital and labor friends, not enemies," by bringing them into "voluntary" coöperation, like that of the lamb and the lion when the lamb is within. To both it appears to be a normal development of competitive industry, and in this view the

"economic" cult of the universities "scientifically" concurs.

That the industrial relations of employers and employed are now regulated oppressively is true. That this system is a system of slavery is equally so. The labor market of the present time is a veritable slave mart. Labor, in the existing industrial regime, is nothing but a commodity. The man himself is sold. Nor is this shocking condition modified by the fact that he is sold by himself. It is all the more shocking that men should be forced by circumstances to beg some one to buy them. Under this "wages system," let it be noted also, the buyer contracts none of the personal obligations of the slave master. He pays the wage-slave the cost of his poor "keep," and there his responsibility ends.

But it is one thing to recognize the "wages system" as an industrial phenomenon of the existing order of things (the existing disorder is a better phrase), and quite another to conclude that it is a system in the sense of being a normal regulation of the industrial relations of employer and employed in a competitive social order. Normally the "wages system" as it exists is utterly foreign to the principle of free competition. It is not a product of normal competition; it is a social disease developed from strangulated competition.

All this may be readily perceived upon a common-sense investigation. It is obscure only to minds that are over-stored with detail and over-tutored in "scientific" methods of economic classification. Clearness of analysis, not profundity of learning nor wealth of statistical information, is the requisite for an examination into the subject. By that method of examination it may be plainly seen that the "wages system," as we experience

it now, is a painfully distorted image of what would under free competition be one of the beneficial phenomena of trade.

For understanding the nature of the "wages system," industrial history does not furnish the best material. Of the usefulness of industrial history as a side light there need be no question. But it is from a consideration of the laws of human nature as we perceive them in operation in ourselves and in our neighbors, that the truest explanation of the "wages system" is to be had. We do know in a general way how men in general will act under given circumstances of a general kind. We do not know in a particular way what particular men will do under given circumstances of a particular kind. History cannot tell us; neither can statistics. The crudest generalizations from human nature as to the probabilities of human conduct in given circumstances are much more likely to be true than the most expert generalizations from historical or statistical data.

We know, for example, or we can know if we reason about the familiar characteristics of human nature, what men in general would do as to accepting or rejecting wages, provided they were living in the fullest freedom that the laws of external nature permit. Let us, then, assume for the starting point of an inquiry into the wages system that men are living in such freedom. In other words, let us imagine—not as romancers imagine plots and incidents, but as mathematicians imagine axioms—what the wages system would be in healthy industrial conditions. In that way alone can we safely determine whether the wages system is essentially a plundering device, or a normal manifestation of industrial life, naturally beneficent but perverted by industrial disease.

In the fullest conceivable freedom men would have to work. Natural laws do not permit them to live without eating, and unless they work they cannot eat. This is manifestly true of men in the sense of mankind, or as a whole. Individual men may eat without working; but if they do, it is only because other men work without a full equivalent. And other men will not ordinarily do that, unless coerced. In the absence of coercion, then, every man must work in order to live.

It is instinctive with men, however, to do the least work for the greatest result. They naturally seek the best living in the easiest way. That is the incentive to labor-saving invention. But for this human instinct none of the devices for the lessening of human effort and the enhanced production of human satisfactions would be utilized. One of the devices for this purpose, in fact the all inclusive device, since every other springs from it, is trade.

No individual could with his own direct labor supply his own wants. He could neither feed himself, nor clothe himself, nor house himself in a civilized way, if he were obliged to make all his own food and clothing and shelter. But by acquiring skill in making one kind of commodity he may by means of trade swap the particular commodities that he makes, for those that he wants. When he does this in freedom, the things that each receives in the trade are as truly his earnings, economically and morally, as if he had made them himself.

Here, then, is a system which springs up naturally, not merely as a historical evolution, but as a spontaneous expression of human powers of production acting under the impulse of human desires to get the most with the least effort. Industrial history records the process of

development with more or less accuracy, but the nature of the phenomenon may be better understood by logical analysis than from historical data. This system is natural industrial coöperation generated and maintained by trade. Every trade is a private contract between two individuals, and the myriads of such trades, interdependent like the links of chain armor, produce, when made in freedom, a perfection of coöperation to which no premeditated coöperative scheme could approximate.

If we suppose that trade would naturally first be manifest in bartering labor products—the actual order of development is neither known historically nor really important philosophically—we can understand that fluctuations in demand for particular products would require every producer to be a business man in the sense of keeping himself well informed regarding the multifarious variations of demand and supply. But this would divert his energy from direct production. He could not acquire business skill except at the expense of skill in his primary calling; and that being uneconomical, the instinct we have already described—that instinct which impels men to satisfy their desires with the least exertion —would lead some producers to cultivate business skill at the expense of skill of other kinds, and to contribute to the sum of coöperative energies by relieving producers of the necessity of watching for trading opportunities. Men in this new occupation would buy and sell as middlemen. They would be in a sense speculators in labor products, buying when and where demand was low and selling when and where it was higher. The service they would render would be to save the expenditure by original producers of their energies in the processes of trading. And this would be a genuine service;

else original producers, being free from coercion, would have nothing to do with the middleman. They would themselves superintend the processes of trading, if, all things considered, they could do so advantageously. And if middlemen made excessive profits, other producers, being free from coercion, would compete until the incomes of middlemen had been reduced to the level of incomes for original production requiring equal skill and effort.

So much is obvious. To understand human nature in its more general manifestations is to perceive that in the circumstances supposed men would act in the manner indicated. If an industrial history were to describe any considerable community of free men as having in such circumstances habitually acted essentially otherwise, we should all unhesitatingly say, So much the worse for that industrial history. Every sane man would promptly reject such a history as manifestly a romance, and rest his conclusions upon his conviction that human nature, like mathematical axioms, is the same everywhere and at all times.

We are now prepared to see how a legitimate wages system, the genuine and useful system of which the one we are familiar with is the distorted image, may develop.

As production, facilitated by trade, divides and subdivides and consequently becomes more complex, men find it profitable to devote their labor to the making of only parts of commodities. To borrow an illustration from modern industry, one man does nothing but make shoe soles. If all were free, this would not be done unless those who did it found it advantageous to themselves. Coercion, it must be understood, is excluded from consideration at present.

Or, we may refer to such industries as house building or ship building. No individual would be able alone to build a house or a ship. He must coöperate with others. With some, those who work with him upon the house or the ship itself, he coöperates directly and consciously; but with by far the larger number he coöperates indirectly and unconsciously through trade. Suppose that a dozen house builders wish to build each of them a house. Since they cannot themselves do all the work that is involved in house building, they must trade the products of their labor, through the intricate network of commerce, with all the thousands of unknown laborers in a multiplicity of occupations who coöperate with them. If the house builders have no accumulated products, or credit acquired in the form of money or otherwise for products they have previously produced, then, either to middlemen, or directly to the producers of material, they must "mortgage," to use a colloquialism, a share in the houses they are about to build; and, having built these houses, they will own the houses in proportion to their several contributions of labor, subject to the shares of the producers of the materials. This would be natural coöperation in house building. But it would be exceedingly complex coöperation were it not for the middlemen who accumulate, by buying from the thousands of miscellaneous producers, the materials and tools which the immediate builders must have.

Even with these middlemen as labor-savers, for such they are, the dozen builders might not find their partnership method the most satisfactory. One might want a house, and therefore be willing to join the other eleven in building twelve houses, each to take one for his work. But if the others did not want houses,

except to trade them for something else, they would hesitate about going into the enterprise unless they were assured of trading opportunities. At this point the employer, as we call him in the distorted "wages system" of our time, would step in to correlate all the house-producing forces and thereby promote the erection and distribution of those twelve houses.

He would buy the houses in advance of their erection. That is, he would say to the dozen house-builders: "Gentlemen, I will marshal the material for the projected houses, and will pay you so much apiece for them as compensation for your work after it is done; or I will pay you so much weekly as you proceed with the work. If I pay you at the end of the job, I shall pay you more than if I pay you from week to week as the work goes on. Let us agree together." The builders, being free to accept or reject these terms, and under no fear of poverty if they decline, will decide, considering similar offers from other middlemen, whether to accept the offer; and, if they do accept, whether or not to take the higher pay for the houses when finished or the lower pay in weekly wages. They will do in the matter what seems most profitable to themselves.

Suppose they take the weekly wages, preferring its benefits and certainties to the greater benefits but lesser certainty and longer delay of payment at the end of the job. Then we have the wages system. But what is it other than a fair and mutually beneficial mode of çoöperation?

These builders do not sell themselves. They discount the value of their future work for the sake of an immediate trade of what they make for what they want. At the end the houses will have been produced by coöpera-

tion, by a fair partnership arrangement, as truly as if it had been a partnership in form. The only difference is that one of the partners buys up the interest of the others in advance, in a free contract which is as beneficial to them as to him. Though he gets something which they by trading the houses themselves might get, yet he does work in effecting the trades, which but for him they would have to drop house building to attend to. In other words, he earns what he gets, and they lose nothing that they earn.

Reduced to the last analysis, this wages system is a system under which employer and employes are free coöperators, all sharing in the final result, namely, those things for which the product is traded. The employer's share is compensation for his work in effecting the trades that marshal the materials, for his work in superintending the production, and for his work in trading the product; while the shares of the employes are compensation for their work in putting the materials together, without being troubled either to marshal the materials or to trade the final product.

And these shares must be mutually satisfactory, for in free conditions neither party to the hiring contract need allow the other to oppress him. Competition bearing not in only one direction, but, like the pressure of the air, bearing with equal force in all directions, maintains an equilibrium of compensation for every worker at the point of his earnings. The wages system, then, in free conditions, is a mode of coöperation which adjusts itself to the satisfaction of all the coöperators by their mutual consent.

Under that natural wages system hired laborers are not commodities. They remain partners or coöperators in

production, discounting their demands, upon satisfactory terms, in return for exemption from certain kinds of necessary labor. But the fairness and usefulness of this system depend upon the freedom of its environment.

In coercive conditions this natural and most useful mode of dividing labor and distributing its proceeds is degraded into a distorted image of the true wages system. Socialists denounce this image, this spurious "wages system," as a species of slavery. And they are right. When social institutions perpetuate obstructions to trade and foster the monopoly of natural opportunities for labor, so that workmen sell their labor in a glutted market because they cannot utilize it otherwise, then the relation of employer and employe ceases to be a relationship of free coöperators and becomes in greater or less degree a relationship of master and slave. It is evident, however, that the seat of the injustice is not the wages system. It is the effect upon the wages system of unfree conditions.

By promoting the monopoly of natural opportunities for production and trade—the soil and the mine, factory and store sites, rights of way for transportation, and the various other facilities which nature provides for labor, and which are more or less included in those enumerated —and by taxing labor in every direction in which it turns for purposes of production, we have generated in place of free competition a jug-handled competition, a competition that is all one-sided. Employers and employes do not contract upon even ground. The employer offers his own terms, and the employe must either accept or starve. Natural opportunities being closed by private monopoly, and production and trade being checked by taxation upon enterprise and thrift, the supply of labor tends con-

stantly to outrun the effective demand for labor, and so to maintain a glutted "labor market." Competition in these circumstances is like air pressure in only one direction. Laborers are subject to the pressure of competition on their side, but are not protected in equal degree by the pressure of competition on the other. The equilibrium is thereby disturbed, and the wages system becomes distorted in consequence into the shape that incenses the socialist and pleases the captain of industry.

Labor has no proper quarrel with the natural wages system which a discriminating examination into the subject discovers. That system is one of the useful adjustments of coöperative production. To make war upon it is to distract attention and to divert reformatory energy from the real evil that turns this useful adjustment into an engine of oppression. We cannot destroy the wages system without making men over again, or putting them into governmental strait jackets. We can, if we will, destroy the monopolies which so disturb the competitive equilibrium as to reduce laborers to the condition of dependent and desperate hunters for work, and to make freedom of contract between employer and employe a dismal mockery. With monopolies destroyed, freedom of contract would be restored and the "wages system" would no longer be oppressive.

CHAPTER V

OUR FOREIGN TRADE

FOREIGN markets are commonly supposed to be commercial necessities. More or less intelligently it is assumed that without that outlet domestic markets would be glutted, to the ruin of home business and the impoverishment of home labor through over-production. Why they should be so popular as an outlet is not clear. The ill effects of over-production, if there are any, might be avoided as effectually by burning our surplus or dumping it into the ocean as by thrusting it upon alien peoples. Probably, however, the preference comes from a vague feeling that foreign markets, while absorbing our surplus wealth, yield some sort of return. Be that as it may, a notion that over-production at home can be prevented only by opening markets abroad, has in one way and another long influenced the foreign policies of commercial nations.

It explains the "open door" policy in China, which England has made peculiarly her own: she asserts the right of sending her surplus goods to China upon the same terms as to entry which the most favored nation enjoys. It is the meaning, paradoxical as that may seem, of opposition to the "open door": the object of the nations that oppose the policy is a monopoly of Chinese markets for their own surplus goods. It throws light upon the commercial aspects of the colonial policy of this country: upon the theory that exports follow the flag, our colonies are expected to absorb our surplus.

In none of these instances does the question of buying in foreign markets cut any figure. No nation appears to want to buy. All want to sell. Emphasis is placed altogether not upon opportunities for getting goods, but upon opportunities for getting rid of them. So dominant is that theory of commerce that in common speech, and to an astonishing degree in common thought, exporting is classed as the only profitable part of international trade. No nation strives to import; all strive to export.

A little unbiased consideration will show this notion to be absurd. No country can get rich by merely sending things away without either return or expectation of return. As a permanent condition, excessive importing and not excessive exporting—the getting of wealth and not the getting rid of wealth—would be the profitable experience. If we are never to pay for our excessive imports, then the more we have of them the richer we shall be. Isn't that obvious? On the other hand, if we are never to be paid for our excessive exports, then the greater they are the poorer we shall become. Isn't that also obvious?

Profitable trading really consists neither in exporting alone nor in importing alone, but in both exporting and importing. As Henry George explains in the chapter on "Exports and Imports" of his famous and wonderfully lucid book on "Protection or Free Trade," exports and imports, "so far as they are induced by trade, are correlative," each being "the cause and complement of the other"; and "so far from its being the mark of a profitable commerce that the value of a nation's exports exceeds her imports, the reverse of this is true."

But contrary to George's rational view, it is the common belief, as already noted—a belief generated by the assumption that a country must get rid of its surplus or

suffer the "impoverishment of over-production"—that every energy of a nation should be directed toward obstructing importation and accelerating exportation. Importing is mistakenly regarded as augmenting the supply of commodities at home, where there is already a surplus, and consequently as tending to frustrate the prime object of exportation; whereas exporting in and of itself is curiously supposed to increase the national wealth.

Statistics of excessive exports, therefore, are commonly taken—not merely by uneducated and inexperienced dupes, but also by professional and business men—as conclusive proof of national prosperity. For instance, one of the leading newspapers of the middle West may be quoted as saying in all editorial seriousness that as "the nation is now able to export a large proportion of its manufactures," it is "thus annually increasing the total wealth of the people by many millions of dollars." The same queer inversion of ideas appeared not long ago in one of the national political platforms, which congratulated the country upon having increased its excess of exports enormously—not its exports but its *excess* of exports. The people were actually asked to believe that the country had prospered vastly more than ever before, because it had in a brief period rolled up an immensely greater excess in value of goods sent away over goods received back than it had rolled up during all its previous history.

So transparently absurd is this conception of profit in foreign trade that its advocates explain that they do not mean that excessive exports are not paid for, but only that they are not paid for in merchandise. What they urge is that excessive exports of merchandise are paid for with gold and silver. Even the late President McKinley made this explanation. In a speech at Mount Horeb,

Wisconsin, October 16, 1899,* he definitely asserted of the enormous merchandise balance of exports then accumulated: "We send more of our goods abroad and buy less abroad than formerly, and the balance of trade is, therefore, in our favor, and comes to us in pure gold." But this explanation is completely discredited by treasury statistics. According to the official treasury statistics,† the total excess of American merchandise exports from the foundation of the government to June 30, 1900, was $2,046,588,012. And instead of having been paid for in gold and silver by excessive imports of those metals, that excess of merchandise exports appears by the same statistics‡ to have been increased during the same period by $1,461,597,093 of excessive exports of gold and silver, making the total excess of exports to June 30, 1900, run up to $3,508,185,105. During the subsequent three years, as shown by the monthly Treasury sheet of imports and exports for June, 1903, this total of excessive exports was increased by $1,537,363,442 excess of merchandise, and instead of being reduced by any excessive imports of gold and silver it was actually augmented by excessive exports of those metals by the amount of $53,270,817. Of gold alone the same reports indicate that we have sent out of the country much more than we have got back. Tabulating the Treasury figures, we get the following result:

September 30, 1790, to June 30, 1900:	
Excess of merchandise exports	$2,046,588,012
Excess of gold and silver exports	1,461,597,093
June 30, 1900, to June 30, 1903:	
Excess of merchandise exports	$1,537,363,442
Excess of gold and silver exports	53,270,817
Total excess of exports of all kinds—merchandise, gold and silver—from the foundation of the government to June 30, 1903	$5,098,819,364

* Reported by the Chicago *Tribune* of October 17, 1899.
† *Monthly Summary* for June, 1900, pages 3424, 3425.
‡ Same *Summary*, same pages.

It is quite impossible to discover in those official figures the slightest indication of any payment which this country has received for the enormous aggregate of excessive exports it has rolled up since 1790 and is still augmenting. They certainly have not been paid for with silver and gold. On the contrary, not only have we sent out of the country more merchandise than we have got back, but we have also sent out more silver and gold than we have got back.

The false idea that exports are paid for with gold, would have no standing in common thought if the mechanism of foreign trading were better apprehended. Neither would the common mind be so easily confused with arguments for restricting imports, for encouraging exports, for protecting home markets, or for "invading" foreign markets.

Foreign trade, like domestic trade, is a complex process of swapping. It consists, not in selling alone, any more than in buying alone, but in both selling and buying. To illustrate, let us consider a supposititious but essentially truthful example of wheat exportation.

Richard Roe, a grain merchant of Duluth, has by domestic trading acquired control of a quantity of American wheat, in the purchase of which he has drawn checks upon a Duluth bank, and delivered them to the different persons who have sold wheat to him.

Negotiations result in a contract with a firm of grain dealers in Hamburg, wherein they agree to buy and he agrees to sell one ship load of wheat at a stipulated price. Under this contract Mr. Roe is to charter vessels to carry the wheat through the lakes and canals to Montreal, where an ocean vessel, chartered by the Hamburg grain dealers, is to receive and carry it to Hamburg. Mr.

Roe is to be at liberty to draw upon the Hamburg grain dealers for the contract price of the wheat, as soon as it shall have been received by the ocean vessel at Montreal.

While Mr. Roe is negotiating for lake vessels, let us turn momentarily aside to inquire how he has redeemed his checks at the Duluth bank. A customer of the bank, in good standing, he has explained to its officers his intention of buying wheat for shipment, and solicited credit at the bank to facilitate his operations. Upon the faith of his own financial responsibility, or of bonds or other valuable paper, or warehouse receipts for wheat, which he deposits as security with the bank from time to time, or of all these together, the bank grants Mr. Roe's request and makes him a loan. The amount of the loan is not paid to Mr. Roe in gold nor in any other money form. It is credited by the bank to his account, subject to draft by his checks. And as his checks, paid out for wheat, come into this bank from other banks, they are charged against his credit. Little money and no gold has been used by Mr. Roe in purchasing his wheat, his payments having been made with checks; and if all his checks were followed up through the hands of the different persons and banks into which they came before reaching the Duluth bank, it would be found that the Duluth bank had used little or no gold or other money either. The whole business has been carried on by means of notes, drafts, checks and other commercial paper, which in the last analysis are nothing but instructions to bank bookkeepers for the shifting of debits and credits upon bank ledgers. And just as the business has been done thus far, not with the use of gold, but by means of bookkeeping, so, as we shall see, it will be continued and completed.

We may now follow Mr. Roe's proceedings in ship-

ping his wheat for export to Hamburg and obtaining payment under his contract. Upon loading the wheat upon vessels at Duluth, Mr. Roe insures it with a marine insurance company, the company thereby becoming responsible for the safe arrival of the cargo at Hamburg, provided it is properly carried, transshipped, etc. Besides insuring the cargo, he obtains from the masters of the vessels at Duluth bills of lading certifying to the receipt of the wheat on board and contracting to deliver it to the ocean vessel at Montreal. Having done this, he is in position to arrange for collecting payment for the cargo from his Hamburg consignees, which he does through a bank.

It may be that Mr. Roe's Duluth bank does not engage in foreign business. But that gives him no concern, for he is in good credit—or if he is not, his Duluth bank can put him in that position—with some bank in Chicago which does business all over the world. To the Chicago bank, therefore, he goes with his bills of lading, his insurance policies, and his contract with the Hamburg grain dealers, and asks that bank, upon the security of these documents, to honor his draft upon the Hamburg grain dealers for the contract price of the wheat. The Chicago bank examines into the transaction, and satisfying itself that Mr. Roe will be entitled under the contract to payment for the wheat as soon as it is transshipped at Montreal, agrees to accommodate him. He thereupon draws against the Hamburg grain dealers in favor of the Chicago bank for the sum of money stipulated in the contract as the price of the wheat. That is, he makes a written order to the grain dealers, commanding them to pay that sum to the Chicago bank or its order. Mr. Roe also conveys to the Chicago bank, by other documents,

all his interest in the transaction, so that the bank now owns the bills of lading, insurance policies, contracts, etc. In consideration thereof it discounts Mr. Roe's draft upon the Hamburg grain dealers, giving to him a check or gold or other money, as he requires.

Mr. Roe will take a check. He wouldn't travel to Duluth with a bag of gold, when the only object of carrying it could be accomplished so much more easily and safely by means of the check. Taking a check, then, from the Chicago bank, he turns it over to the Duluth bank, and thereupon receives credit there, by way of offset to the obligations he incurred when he originally bought the wheat. If those obligations were only for the wheat now disposed of, he will have a surplus credit, which will be his profit on the transaction.

Even if Mr. Roe had been given gold by the Chicago bank, and had carried it to Duluth, that would have made no difference as far as the point under consideration is concerned—the point that American exports are not paid for with European gold. For the gold paid him by the Chicago bank would not have been European gold; it would have been American gold.

Thus far, then, no European gold has been received for the wheat. And as Mr. Roe and all from whom he has bought are settled with and paid, no European gold will ever come to any of them on account of that wheat deal.

Should European gold come to anybody in this country on that account, it must come to the Chicago bank, or to some one claiming under it. Let us, then, follow the further operations of that bank in the matter.

Having possession of Mr. Roe's insurance policies, his contract, his bills of lading and his draft upon the Ham-

burg grain dealers, the Chicago bank forwards those documents or such of them as are necessary, together with appropriate instructions, to its correspondent in Montreal, who thereupon obtains from the master of the ocean vessel, upon the transshipment of the wheat at that port, the final bill of lading which gives financial vitality to Mr. Roe's draft upon the Hamburg grain dealers. The draft and that final bill of lading are then forwarded to the Chicago bank's correspondent at Hamburg, who secures an acceptance or formal acknowledgment of the validity of the draft by the grain dealers. There is, consequently, now in the Hamburg money market a valid order for a shipment of gold from Hamburg to the United States—gold to the value, let us say for convenience of illustration, of $50,000. But no one in Hamburg will really ship that gold to America.

As the transaction now stands, so far as the individuals concerned in it are affected, the firm of Hamburg grain dealers owes $50,000 to the Hamburg bank with which the Chicago bank corresponds, and the Hamburg bank owes that sum to the Chicago bank.

The Hamburg grain dealers will settle their indebtedness by paying the amount of it to the Hamburg bank. They will probably enable themselves to do this by borrowing bank credit precisely as Mr. Roe did at Duluth, and so make the matter one of bank bookkeeping, instead of a money transaction. But if they should pay the whole or any part in gold, let it be observed that the gold would not thereby get out of Hamburg. They would merely pay Hamburg gold to a Hamburg bank, just as the Chicago bank might have paid Chicago gold to Mr. Roe. No gold has yet come into the United States, and none has yet even left Hamburg in consequence of the wheat

export transaction we are considering. The transaction has simply been reduced to a $50,000 indebtedness from a Hamburg bank to a Chicago bank.

But how can that indebtedness be discharged without a shipment of $50,000 worth of gold from Europe to America? The answer is simple. It can be done by further bookkeeping. Not only is that the way in which the indebtedness can be discharged, but that is the way in which it is most likely to be discharged, and the way in which by far the largest proportion of indebtedness of that kind always is discharged in actual practice. The method will appear as we proceed.

While Mr. Roe was purchasing American wheat for export to Europe, men in Europe, or Asia, or Africa, or South America, were purchasing foreign products for export to the United States. Their methods were much the same as Mr. Roe's. Or, if they used more coin and fewer checks than he did, it was used in the countries where the purchases were made. No shipment of gold to the United States was involved. And in disposing of their products thus acquired, these foreign Richard Roes followed very much the course of Richard Roe of Duluth, with his wheat. They especially imitated him in acquiring the contract right to draw upon their American consignees; and, having done so, in transferring that right to a bank.

In this way, let us suppose for the sake of simple illustration, one or more drafts amounting to $50,000 have come into the hands of a St. Louis bank from a bank in Geneva, its Geneva correspondent—drafts drawn against merchants in St. Louis for goods shipped to them from Switzerland, as Mr. Roe's goods were shipped from Duluth to Hamburg.

The St. Louis bank collects this sum from the St. Louis merchants who owe it. They doubtless pay in checks; but even if they paid in gold it would be American gold. No foreign gold can be regarded as having yet reached our shores in connection with any of these supposititious transactions. Having collected the amount of the Geneva drafts from the St. Louis merchants, the St. Louis bank owes its Geneva correspondent $50,000. This equals the amount which, as we have already seen, the Hamburg bank owes the Chicago bank; and being equal, the two debts cancel each other. No gold passes. The discharge of each debt becomes a mere matter of bank bookkeeping.

This international bank bookkeeping is very similar to that between the banks of any city through their clearing house. In principle it is identical. The European clearing house, so to speak, is London; the American clearing house, in the same sense, is New York. An indebtedness due from any bank in Europe to any bank in America is likely to be settled through New York bankers. So an indebtedness due from any bank in America to any bank in Europe is likely to be settled through London bankers. These cities are the two points to which trade balances tend to flow for settlement. That is what gives them the character of clearing houses.

If, then, we suppose that the Geneva bank owed nothing to the St. Louis bank, to offset the latter's indebtedness, the St. Louis bank in question would send, directly or indirectly, to some New York bank for a draft for $50,000 upon London. And if the Hamburg bank owed nothing to the Chicago bank, it would send, directly or indirectly, to some London bank for a draft for $50,000 upon New York. The motive would in each case be that drafts could be bought for less than it would cost to ship gold across the ocean.

Having received their respective drafts, the St. Louis bank would mail its London drafts to its correspondent in Geneva, and the Hamburg bank would mail its New York draft to the Chicago bank. They in turn would transmit their drafts through banks to the respective London and New York bankers upon whom the drafts had been drawn, and with money or bank credit would be paid their dues.

This would end Mr. Roe's wheat transaction with reference to the Chicago and Hamburg banks, as completely as it had been ended already with reference to Mr. Roe himself. It would also as completely end the matter of the St. Louis consignment of Swiss goods with reference to the St. Louis and the Geneva banks. The settlement would now lie between two London banks and two New York banks. And, still, let it be noted, no gold has crossed the ocean either way.

The two New York and the two London banks, with whom the final settlement rests, are affected in the matter in this wise: The Wall Street Bank of New York, which, let us say, has sold the London draft mentioned above, did so because the Strand Bank, against which it drew, owed it at least $50,000. The transaction is the same in principle as when a bank depositor pays out a check against his bank account. On the other hand, the Threadneedle Bank, of London, which has sold the New York draft, did so because the Broadway Bank, against which it drew, owed it at least $50,000. This transaction, also, is the same in principle as that of a check drawn by a bank depositor against his account.

When the London draft finally reaches the Strand Bank, in London, it is there charged in the ledger against the account of the Wall Street Bank, of New York. Like-

wise, when the New York draft finally reaches the Broadway Bank, in New York, it is there charged in the ledger against the account of the Threadneedle Bank, of London. And that ends the whole matter, so far as Europe and the United States are concerned. European banks may yet have accounts to settle among themselves, and American banks among themselves; but neither country has anything more to do with the other regarding Richard Roe's shipment of wheat from Duluth. All the international accounts have been balanced off in bank ledgers; and the wheat has been paid for with Swiss merchandise, and not with European gold.

It is in that way that by far the largest proportion of all goods exported from this country are paid for. Gold plays an infinitesimally small part in the phenomena of foreign trade.

The American Treasury statistics show, as noted above, that the excess of merchandise exported from this country from the foundation of the government to June 30, 1903, was $3,583,951,454. This is called a "favorable balance," because it is assumed that it has been or will be paid off with foreign gold. But not a penny of it has been so paid. On the contrary, during the same period our excess of exports of gold and silver amounted to $1,514,867,910. Thus foreigners have received from us, since the foundation of the government, in gold, silver and merchandise, $5,098,819,364, for which, so far as the statistics show, they have never paid us anything.

It appears, then, that the supposititious trading transactions used here to exemplify the process of foreign commerce, vary from the actual facts of our foreign trade in this, that the supposititious transactions exactly balance each other, whereas in our actual trading transactions we

appear to have sent away, in 114 years, in gold and silver as well as merchandise, thousands of millions more than we have ever received back or can ever expect to receive back. How can that difference bring comfort to the "favorable balance of trade" theorist? Who would take him seriously if he insisted that the wealth of the country has been augmented by that enormous excess of outgo?

The transactions supposed in our illustration assume a normal and healthy condition of foreign trade. For in the normal and healthy condition, exports are offset by imports. Gold never crosses the ocean, in normal conditions, except for use as a commodity, like iron or copper. When it crosses merely for the purpose of paying balances the condition of trade is unwholesome.

But gold does frequently cross the ocean for the purpose of paying balances, sometimes one way and sometimes the other. This happens when drafts cost more than it would cost to ship an equal value in gold, a condition which is determined by what is known as the "price of exchange" on London.

When drafts on London can be bought in New York for the bullion value of English sovereigns—say $4.86 to the £1—then exchange may be said to be normal. Debts and credits between New York and London are thereby indicated to be about equal. If the price remained at that point, no gold would pass either way, except as merchandise in response to demand for use in the arts. Exports and imports of merchandise would then mutually offset each other, as in our illustration, where Roe's wheat is exactly paid for by the Swiss merchandise.

But when drafts on London are so scarce in New York that they cost more than $4.86 per £1, that means that American claims against Europe are growing less than

European claims against America, and if the price rises say to $4.88, gold begins to flow from America to Europe in payment of American obligations. The reason is that this high price for exchange is dearer than the expense of gold shipments.

Conversely, when drafts on London are so plentiful in New York that they can be bought for less than $4.86 per £1, that means that American claims against Europe are growing larger than European claims against America. If the price falls say to $4.83¾, gold begins to flow from Europe to America in payment of European obligations. The reason is that at this low price for exchange it is more profitable to incur the expense of importing gold than to bear the heavy discount on drafts.

Thus the ebb and flow of gold is regulated by the rise and fall of London exchange in the New York money market, a rise approximately to $4.88 per £1 producing a flow of gold *from* New York, and a fall approximately to $4.83¾ producing a flow *to* New York. Exchange vibrates between these two points, seldom if ever rising above $4.88 or falling below $4.83¾.

Foreign trade, therefore, comes nearer to the ideal the nearer it approaches the condition of our illustration, in which Roe's wheat was exactly paid for with Swiss goods. Like all other trade, it is mere barter, plain swapping, in which bank bookkeeping and not gold coin plays the important part; and to give more than we get is obviously to lose in the swap.

But this country has given, according to its Treasury statistics, enormously more than it has got. Nor has it been paid for the excess with either gold or silver: both metals are considered in the excess. Neither has the excess of exports gone to pay for former imports: all

imports also are considered in the computation of the excess. It could not have been invested, either, in foreign stocks, bonds, or land: the flow of such investments is on the whole from Europe to this country, not from this country to Europe.* It cannot be subject to sight draft: sight drafts have ruled so high as to preclude that inference. And it has not been invested in bankers' short loans to any considerable amount.† Virtually the whole sum appears to have been as complete a loss as if the wealth it expresses had been chucked upon a bonfire or tossed into the sea. But how can it have been lost?

Let us consider. If it were possible to secure exact statistics of exports and imports, and trade were in reality what the term implies, untrammeled swapping, we should find imports exceeding exports in value in every country. The excess in each country would represent that country's profit. Thus: An English product worth $75 in London, let us say, but $100 in New York, would "swap even" for an American product worth $75 in New York but $100 in London. Each country would gain $25 by the swap. And it would be found that each had

* See editorial in Chicago *Record-Herald* of August 31, 1903, commenting upon a magazine paper by W. H. Allen. The *Record-Herald* says that Mr. Allen "has made up a table of the sales and purchases of shares by foreigners on the New York Stock Exchange as reported weekly in the New York *Times* and New York *Evening Post*, and he finds that for the four years, 1898-1901, the net excess of purchases over sales was 3,797,000 shares, while in 1902 alone did the sales exceed the purchases, and then by only 427,000 shares. The net showing for the five years is, therefore, that purchases were in the lead by 3,370,000 shares. As to direct sales and purchases outside the Stock Exchange, Mr. Allen finds, though by less exact methods, a similar tendency."

† In the same editorial the Chicago *Record-Herald* describes Mr. Allen as presenting facts to show "that instead of our lending money abroad we have been most of the time heavy borrowers, and from this he infers further that we cannot have had funds idle for permanent investments in foreign countries on any large scale."

an excess of imports to that amount. This excess would represent the value of the greater desirability of the article of each country in the markets of the other. That illustrates the ideal condition, from which all reasoning on the subject must proceed. That is the equilibrium of foreign trading.

Suppose, now, that the statistics showed that whereas Great Britain maintains a steady excess of imports (which is the fact), implying that her foreign trade is profitable, the United States exhibits a steady excess of exports (which also is the fact), implying that her foreign trade is unprofitable, what explanation should we make? Why not turn to Great Britain and ask how it is that she flourishes upon excessive imports? The answer might help us to understand what becomes of our exports.

Why is it, then, that Great Britain has a towering import balance? Commercial profits do not wholly account for it; for commercial profits are mutual, and Great Britain's profits are one-sided. Is it not because wealth from other countries is sent to Great Britain to pay dividends on the stock, interest on the bonds, and rent for the land of those countries which are owned in Great Britain? Is it not for the same reason, to put the matter in another form, that ancient Rome grew rich upon the excessive imports from her tributary provinces? or that a modern village prospers upon the excessive imports of the produce of neighboring farms, in payment of rents to retired farmers? Is it not because receivers of foreign tribute live in Great Britain, while the payers of this tribute live in other countries? That is the unavoidable conclusion. Upon their foreign holdings British capitalists receive dividends, interest, and rent in a perennial stream of imports, in exchange for which no wealth leaves

Great Britain. Those imports are profits upon past transactions, and to that extent it is with the British all import and no export. Of course, their excessive imports tend to make the country not poor, but rich. They add to the aggregate of British wealth.

But do not ignore the other side of the story. This stream of excessive imports into Great Britain is a stream of excessive exports out of other countries. And as its flow into Great Britain tends to enrich that country by giving it wealth without taking wealth from it, so its flow out of the other countries must tend to impoverish them by taking wealth away without bringing wealth back. If Great Britain is enriched by excessive imports, the other countries cannot be enriched by their corresponding excessive exports, and our own country is no exception.

We are now prepared to understand the true meaning of our enormous excess of exports. To the extent that they really are excessive they represent tribute to the capitalists of other countries. But the excess is not all genuine. In some degree it is produced by defective statistics. Undervaluations to escape tariff duties make the value of our imports appear less than it is. On the other hand, the invoicing by American exporters of their shipments at list prices when in fact those prices are heavily discounted, makes the value of our exports appear to be greater than it is. These overvaluations of exports are largely made by protected trusts, which invoice their exports at the prices charged to American consumers, but actually sell them at lower prices to foreign consumers. By this contraction of import values and expansion of export values, the excess of exports is inflated, though to what extent it is impossible to estimate. It is certain, however, that the actual excess of exports is nevertheless very large.

In some degree, also, our excessive exports are accounted for by ocean freights. Since foreigners do most of the ocean carrying both ways, they earn most of the freight upon both imports and exports; and as they are foreigners living abroad, the excess must be paid for in exports. By their service as carriers they really add to the value of our imports; but as freights do not figure in the statistics of imports, which are valued at their cost abroad, this country does not appear by the statistics, though the fact is otherwise, to get any additional wealth in exchange for exports for freight payments. By this means also our statistical excess of exports is inflated.

Then there are the expenses of American tourists abroad. Though this expenditure pleases the tourists, or they would not make it, it drains the country of its aggregate wealth. Such exportations do not directly nor indirectly augment American wealth, any more than an excursion from a country village to a city augments the wealth of the village, or the visit of a farmer's family to a circus augments the wealth on his farm. It is the country to which the tourists' wealth is taken that is enriched, not the one from which it goes.

So, too, with remittances from foreigners in this country to their friends at home. These gifts afford pleasure, no doubt, to the remitters; but there is less wealth in this country by the amount of the gifts. Both countries cannot be commercially enriched by the same gift, and as the receiving country unquestionably is enriched by it, the remitting country must be correspondingly impoverished.

But although exports for freights, and gifts, and tourists' expenses do take wealth out of the country in exchange for which no tangible wealth comes back (unless

we consider as to freights that they are offset by the value they add to the imports over and above what the statistics of imports show), yet none of these items can be regarded strictly as tribute.

There are items, however, that enter into our excessive exports which are distinctly tribute and nothing else.

Perhaps all dividends on stock and all interest on bonds exported to foreign stock and bondholders ought not to be so considered. Although these items take wealth out of the country without bringing any back, it may be urged with plausibility as to some of them that they represent earnings of previously invested capital. But it should not be forgotten that our exports since the foundation of the government have been so vastly greater than our imports for the same period as to challenge that argument at the threshold. We appear, by the statistics, not to have received any great amount of capital at any time in excess of our current exports. Such capital as foreigners have let us have must have been for the most part what we ourselves produced for their benefit—capital that never went out of the country.

But the plea that some of our apparently unpaid-for exports are made up of earnings of foreign capital has no possible application to items of interest on government bonds. Neither does it apply to interest on most State and municipal bonds; nor to a large percentage of dividends declared by railroad, mining, and other monopoly corporations; nor yet to so much of real estate rents as are paid for the use of land as distinguished from the use of its improvements. Interest on government bonds is not interest produced by the investment; it is a tax levied by the law-making power to reward lenders of capital burned up in powder long ago. We may honorably owe

it, but its payment does not in any sense represent an increase in the wealth of our people earned by the capital invested. It is not produced by the capital. Much of the interest on State and municipal bonds is also a mere tax. The same thing is essentially true of all that part of the dividends of monopoly-owning corporations which constitutes exactions under their monopoly franchises as distinguished from the earnings of their plants. And the rent of land as distinguished from the rent of its improvements is in the same category. All the wealth that goes abroad for such payments is tribute.

Most distinctly so is the rent of land. A Lord Scully, for instance, buys large stretches of farming territory in this country for a few dollars an acre. The payment for it is either an offset against previous exports or is an actual import into this country. But after a few years his tenants in this country pay more in rent for that land every year than the absentee landlord gave for the fee. That point being reached, American exports on that account become a continuing and constantly increasing drain. Nothing comes back for them. They are as truly tribute as are Irish rents to English landlords. Indeed, they are the same thing. It is of such payments that our swelling export balance is largely composed.

CHAPTER VI

AN ECONOMIC EXPLORATION AND SURVEY

TO know how a loaf of bread is made and distributed is to know more of political economy than all the text books and all the statistics can teach. That was Emerson's idea, and Emerson was right. But his idea does not imply that one must know all the chemical and mechanical processes. They are manifold and complex, and it would be impossible for one head, large or small, to hold so much. Even if there were a human brain of this extraordinary capacity, it would very likely be incapable of intelligently using the knowledge it held. Fortunately, therefore, what is necessary is not comprehensive knowledge of technical processes, which is impossible, but intelligent apprehension of familiar economic phenomena, which is not difficult.

The Economic Mysteries.

A child who knows how to get candy can be inducted into the economic mysteries. Isn't candy got at the store with pennies? So is bread. A child can understand that. But the same is true of everything else with which the human family satisfy their material wants. Whether their wants be of the stomach for food, of the body for clothing and shelter, of the taste for superior qualities of food and clothing and shelter, or of any of the desires for any other of the infinite variety of material things, those wants are all satisfied by buying objects as candy

and bread are bought—by buying them, so to speak, at the store with pennies. In civilized society every material desire can be satisfied as it arises, simply by giving money for the things that satisfy it.

But why is that true? Why do pennies so easily fetch us candy or bread or other good things? They wouldn't if we were not living in civilized society. On a desert island no amount of money could procure a satisfaction for even the least of human desires. It cannot be, then, that money is the final explanation of economic processes. It is evidently only a superficial expression of something more fundamentally characteristic of civilized life.

What that thing is should appear upon a moment's reflection. If money will procure satisfaction for any want, in civilized society where trade is a universal phenomenon, and only for a few in savage society where there is but little trade, and none at all on a desert island where there is no trade, then money must be merely a trade token. It must be something, that is, which passes current among civilized people not because anyone wants it for itself, but because it will buy other things—things that *are* wanted for themselves. And isn't this a fact which every thoughtful man knows? It is not money but trade that enables the child to buy candy, and his mother to buy bread, or his father to buy a house. If the child's penny could not serve the storekeeper in trade when he goes to buy what he wants for himself, he would not take it in trade when he offers to sell candy to the child. He does not want it except to trade it again. It is simply a token whereby he swaps what he sells for it for what he buys with it. And this fact about the penny is true of all money. The economic phenomenon, therefore, which is more fundamental than money, without which money

would be of no use and the object of no one's desire, is trade.

Of course we know that trade consists in swapping things. But why is anything swapped for another thing? Why are things traded? You cannot trade the free air. You cannot trade the waters of the Great Lakes. There are kinds of things, certainly, which cannot be traded. Yet there are other kinds of things in great abundance and bewildering variety which not only can be traded, but are in continual process of trade. Why? What is it that distinguishes the tradable from the untradable?

Isn't it obviously value? Things having no value are not tradable, but things having value are tradable.

As value is commonly expressed in terms of money, it being customary to say of a valuable thing that it is worth so many pennies or so many dollars, it might seem that we had now got back again to money. But that is not the fact. Though value is expressed in terms of money, it does not depend upon money. Things would have value all the same even if there were no money to express their values. Money bears much the same relation to value that the alphabet bears to language or to thought. It furnishes convenient symbols for expression, but is not the thing expressed.

Value is the expression of a comparison. As exemplified in trade it is the name of the ratio at which tradable things are exchanged. If, for illustration, one loaf of bread exchanges for five sticks of candy, the ratio of bread to candy is as one to five. It follows that if you give one penny for your stick of candy you must give five for your bread; or, expressing these values in terms of money, that bread loaves are worth five pennies and candy sticks are worth one penny. Yet it is value itself,

and not its capability of expression in terms of money, that makes things tradable. The immediate cause of trade is value.

It cannot be, however, that value is the final explanation of economic processes. There must be something still more fundamental. To say that value is the economic base, is almost as superficial as to say that money is. Value is not economically self-existent. It in turn must have an economic cause.

The cause of value is serviceability, in the restricted sense of capability of serving a human purpose. Unless an object is capable of ministering to some human desire, unless, that is, it possesses the quality of serviceability, it cannot exhibit the phenomenon of value. Value rests upon serviceability. But upon serviceability plus something else. For the air is incalculably serviceable, the waters of the Great Lakes and of the oceans are immensely so, the sunlight is indispensably so; yet none of these has value. It will be observed, however, that while they are serviceable they are not difficult to get. They are not scarce. On the other hand, serviceable objects which are difficult to get, serviceable objects which are scarce, invariably exhibit value. The cause of value, then, is serviceability in a condition of scarcity. Inasmuch, however, as it is not scarcity but serviceability that causes normal desire for anything, serviceability and not scarcity is the active or inciting cause of value.

True, however, as this obviously is, we have not yet reached the end of our economic exploration. For serviceability, though the exciting cause of value, is itself an effect of anterior causes. If bread were not valuable it wouldn't be tradable. If it were not serviceable it wouldn't have value. But if it didn't exist it couldn't be

serviceable. So its serviceability, its value, and its tradability, all depend in turn upon its existence. This seems rather obtrusively obvious, but the most obvious facts are sometimes ignored.

Now, bread does not exist naturally. It is an artificial object. And that is true of the great mass of tradable objects. They are artificial. Some tradable objects, it is true, are not artificial; but these are tradable for a secondary reason—because they are capable of securing in some way service from articles that are artificial. It is the serviceability that is embodied or is capable of being embodied in artificial objects, that makes anything tradable. We find, therefore, that beneath all the economic phenomena we have thus far explored—beneath money, trade, value and serviceability; beneath all these, in the sense of being their cause—are the artificial objects which possess the quality of serviceability, to which value therefore attaches in conditions of scarcity, which are consequently tradable, and which may for that reason be bought with money.

What technical name we give to such objects is of no moment, provided we always use the same name to designate those objects, and use it for nothing else. Then why not distinguish them as "wealth," which is a good old economic term? Using the term strictly in that sense, we are able to say that all the economic levels thus far explored rest upon wealth.

But the end is not yet, for wealth is not self-existent. Consisting of artificial objects it cannot be. As the term "artificial" implies, such objects are produced (which means drawn forth) by human art. If man didn't exist, they would not appear. If man didn't labor, they would not come forth. Without human exer-

tion of brain and brawn, there would be no wealth. Wealth, therefore, is properly called a labor product. So we trace all economic processes back to human labor.

Every material thing is brought to us by human labor —our own labor or some one else's; and if at any stage in the process labor were to stop, our desires would forthwith begin to go unsatisfied. At first we should have to stint ourselves, perhaps, only a little; but soon a little more, and then more, until almost every want would plead in vain for even the least satisfaction. The whole process of production and distribution is a process of labor. The raw materials are produced by labor; the tools and machinery, simple and complex, little and big, are made and repaired and re-made by labor; the transportation facilities are constructed and operated by labor; the factories and store buildings are erected and utilized by labor.

In the loaf of bread there are the labor of the farmer who raises and harvests grain, and of the miller who grinds it; of the mechanics who make the tools and machinery for both farmer and miller, and of those who make the tools and machinery for these mechanics; of the miner who unearths the metals and the woodmen who cut the lumber; and then again of those who make miners' and lumbermen's tools; of the labor that builds railroads and the labor that operates them; of the labor of the baker and that which equips bakeries; of the labor of the banker and the banker's clerks in giving mobility to capital, and of that which constructs and cares for their buildings, as well as that which through other complexities of trade furnishes them with stationery and with business furniture; and so on to the labor that slices the loaf at last and that which produces the knife with which

it is sliced. From beginning to end it is all a labor process. Nor is it the labor of the past that keeps the process going; it is the labor of the present.

The wealth we buy with money, then, for the satisfaction of our desires, is in the last analysis the product of current human labor.

The Fundamental Factors.

We have now reached a final explanation. Beginning with the economic phenomenon next at hand, and therefore most familiar, that of buying satisfactions with money, we have proceeded, step by step, to the consideration of related phenomena more remote. Thus we have accounted for money by trade, for trade by value, for value by serviceability, for serviceability by artificial objects, and for artificial objects by human labor. It is as if in making a subterranean exploration, we had first laid off the surface soil and then cut through the layers of different material, one after another, down to rock bottom. And human labor is the rock bottom of economic research. It supports all the superincumbent layers—artificial objects, serviceability, value, trade and money.

Unlike the other economic phenomena through which we have picked our way, labor is economically self-existent. It has no anterior cause on the economic plane. For labor is a technical term descriptive of the human family producing satisfactions for human desires. And while that phenomenon is indeed an effect (as what short of Omnipotence is not?), yet its cause lies beyond the field of economic inquiry. It is not an effect of anterior economic causes. On the economic plane it is itself the cause of all effects.

Nevertheless, labor cannot create. It cannot make

something out of nothing. It cannot say, "Let there be bread!" and there is bread. So far from creating, labor has only the power to produce. That is, it can draw forth artificial objects by so adapting the matter and forces which nature supplies as to fit them for serving human purposes. It can change the shape and place of natural things.

For instance, it can produce coal by changing its shape from the mass in the vein to broken pieces in the mining chamber; it can still further produce it by changing its place from the bottom of the mine to the mouth; it can produce it further yet by changing its place from the mouth of the mine to the coal bin, and finally to the stove or grate of the distant consumer. Or, it can produce houses by changing the forms of trees, rock, sand, clay and ore, and assembling them at one point and in one form or shape from many distant points and different shapes.

But labor can produce nothing without natural resources. Tools it does not need. For labor, considered as a coöperative whole, makes all its own tools. They are artificial objects—wealth. But it does need raw materials and working places upon the earth. To use the inclusive economic term, it does need "land." Land is the one thing, the only thing, that labor must have and cannot make. Land is the sole condition of all the economic processes that labor generates. For mining, it must have access to mining land; for farming, to agricultural land; for urban building, to urban land sites; for railroading, to rights of way over land; for sailing, to docks; and so on. Labor without land, even if life were possible, would be utterly powerless to generate the economic processes. On the other hand, land without labor is unproductive of arti-

ficial satisfactions. It only furnishes the natural storehouse and workshop for labor, leaving labor to do the rest. Though labor generates the economic processes, it must have access to land to do so. And land it cannot produce. Land is not an artificial object, but a natural one. But with access to land, labor produces in abundance all those artificial objects having value, which we have called "wealth."

Labor is fundamental and land is fundamental. They are the prime factors of all economic processes; labor being the initial or active force and land the responsive or passive condition. Thus labor produces wealth from land, and land yields wealth to labor.

Land, Labor and Wealth, then, are the three subjects of first importance in all economic problems. Land passively yields matter, space and force to the knowledge and skill of man. The active application of that knowledge and skill to those passive elements is Labor; and its product—the natural matter and energy so shaped and adjusted as to satisfy the desires that stirred the laborer to activity—is Wealth. From this starting point the steps we have taken may be retraced, and the way be more minutely surveyed. Back to money and its functions, through all the mazes of serviceability, value and trade, it is now possible to go with a certainty born of confidence in familiarity with the route. We have discovered the most fundamental of economic principles, and in their light problems otherwise perplexing may be easily and correctly solved.

Land.

Let us begin this survey with a somewhat more extended examination into the economic characteristics of

Land, which, as we have seen, is the sole condition of the economic processes that Labor at any time generates or maintains.

Land is the natural storehouse from which man draws all his supplies, and the one foundation upon which he rests all his structures. It includes everything except the human family, and such objects as the human family have altered in condition so as to adapt them to human desires. Not only the soil, but the water, the atmosphere, the sunlight, building sites, railway sites, mineral deposits, forests, and even the birds of the air, the fishes of the sea, and the wild animals that roam the earth, are included in this economic category.

It may seem absurd to designate animals and water and air and sunlight as "land," a term habitually associated with the soil and used in contradistinction to air and water. But we are not now considering physics or natural history. The subject of our inquiry is the economic relations of the human family to its environment. We must distinguish things, therefore, by their economic peculiarities.

For that purpose some term having no colloquial connotations might be much better than "land"; some word meaning, for example, "material environment" or "earth chance." But one word will do as well as another if we are careful to think of it in the sense in which we agree to use it. So in economic matters we may speak of "land" without limiting our meaning to what the farmer means when he speaks of plowing "land," or the sailor when upon sighting a shore line he announces the fact with a "land, ho!" or the ocean traveler when he puts his foot upon the dock and tells you he has "landed." We use it as a technical term to distinguish

sharply from all other things the natural environment of the human family. As all must agree, man has a natural environment without which he could not work, could not produce satisfactions, could not live at all—an environment which is to his life of wonderful variety what bodies of water are to the simple life of fish and the upper air to that of birds. This environment includes every natural thing that man needs, ranging from air for breathing to all the matter and all the forces of nature, including animal life, which he may alter in condition so as to adapt it to the satisfaction of any of his desires. For convenient reference to that environment, some simple technical term is needed, and the one with which political economists have long been familiar is Land.

This, as already explained, is the sole passive or responsive condition of economic processes. No economic process is possible without it. It always has been, is now, and, though human achievement accomplish untold wonders, always must be, one of the two indispensable factors of producing satisfactions for human desires. Any other conclusion is unthinkable.

Labor.

Without Labor, however, Land would yield no artificial thing. Labor is the other indispensable factor. As Land is the passive economic condition, so Labor is the initial economic force. It is Labor applied to and operating upon and in conjunction with Land that causes every other economic process. Or, to put the same thought in another form, it is by means of the energies of man, mental and physical, applied to and operating upon and in conjunction with the material energies of his natural environment, that all artificial satisfactions

of human desires are produced. For Labor, like Land, is a technical term of political economy, and as such must be understood more comprehensively than in common speech. It designates human energies, mental and physical, in so far at least as they are devoted to economic processes. So it comprehends all serviceable work—of mind or muscle, with skill or without, as hired man or "boss"; and whether on farms or in factories, out upon the sea or down in the mine, up in the high stories of sky-scrapers or away from civilization in the depths of primeval forests, in the hospital or the pulpit, at the bar or the easel or the teacher's desk, in store or warehouse or railroad train or street car or public office. All service is Labor, whether it be a service rendered directly, like that of the barber who shaves you, or one rendered indirectly, like that of the mechanic who impresses his energy upon matter, thereby producing exchangeable objects. Wherever or however human energy responds to the cravings of human desire, the expenditure of that energy for that purpose is Labor.

Wealth.

When this application of the energies of man to his natural environment produces substantial results, those results are distinguished by the technical term Wealth.

Wealth is drawn from external nature by man, who, by changing natural materials in form or place or both, produces such artificial objects as tend to satisfy human desire. In technical phrase: *from Land, Labor produces Wealth.* To call in the aid of metaphor: as father to mother and children to parents, so is Labor to Land and Wealth to both.

Among the distinguishing characteristics of Wealth is

its tendency to revert. Not only does it consist of artificial objects produced by man from his natural environment, but with use or lapse of time it loses its artificial quality and passes back again into the great reservoir of matter and force whence it came. A loaf of bread is Wealth. So were the flour of which it was made, the wheat from which the flour was ground, and all the artificial implements which were utilized to bring the grain to fruition, to grind the flour, to bake the bread, and to transport grain, flour and implements in the form of a loaf of bread to the consumer. In raising the grain, agricultural implements were subjected to a "wear and tear" which returned them in degree to the natural reservoirs of supply; while the seed, produced by previous effort, was wholly returned. In grinding the flour, milling implements were returned in degree by their "wear and tear"; and so with baking implements and transporting agencies. At last the bread itself is eaten or wasted. In either case it also returns to the natural sources.

What is thus true of bread and its artificial constituents is true of all other artificial objects. Sooner or later, and with most of them much sooner than later, all artificial objects revert to their original economic condition as part of the natural environment of man.

In technical phrase, therefore, not only is all Wealth produced by Labor from Land, but in natural course it all tends to pass back into Land. This is the never varying result of economic processes.

Serviceability.

But why do men produce by Labor from Land artificial objects, or Wealth, if those objects inevitably go back

to Land again? Simply, as we have already casually observed, because the consumption of those objects, which is one of the ways in which they revert, satisfies human desire.

Consuming bread satisfies a desire for food; wearing out clothing satisfies desires for covering and ornament; occupying houses, driving horses and carriages, carrying a watch, wearing a jewel, and so on, satisfy other desires. Men systematically produce these things because consuming them gives satisfaction.

It is not because the labor of producing them is itself a pleasure. On the contrary, men instinctively shrink from systematic labor for its own sake. Under natural law—in this connection a law of human nature—men instinctively seek the satisfaction of their desires in the easiest way. Their object is to get the most and the best with the least effort. This is the natural law that inflicts upon us predatory crime when it is perverted, but blesses us with labor-saving invention when it operates normally.

Translated into economic terms, that law, the most fundamental of all the laws of political economy, would read: "In producing Wealth from Land, Labor seeks the easiest way—the line of least resistance."

Since production is irksome and Labor instinctively seeks the line of least resistance, the things it produces must either have, or seem to have, the power of giving some kind of satisfaction, else it will not produce them. That is to say, Wealth must possess the quality of Serviceability. It must be capable of serving some purpose, of ministering to some desire, whether good or bad, doubtful or indifferent. Wealth adapted to serve normal human wants, giving no one pain in order to

give others pleasure, may be distinguished as useful, that is, as possessing the quality of utility. Bread would come in this category. But Wealth adapted to serve the purpose of giving pleasure or satisfaction to one by giving pain or causing loss to another (such as instruments of torture), is lacking in the quality of utility. Nevertheless it may be accounted as serviceable, in the restricted sense of the term. It serves to satisfy a desire.

Serviceability as a quality of Wealth is exhibited in two general aspects. An artificial object may be serviceable either in satisfying desire directly, or as a tool or material in aiding to produce such objects. A loaf of bread upon the table satisfies a desire directly; it appeases hunger. But wheat, flour, agricultural implements, mills, cars, wagons, ovens, warehouses, etc., the various artificial materials and artificial implements whereby the loaf of bread is produced to the table of the consumer, these do not satisfy desire directly. They are artificial means whereby objects that do satisfy it directly may be realized.

These two kinds of Serviceability give distinctive character to the articles of Wealth to which they respectively attach. For the articles of Wealth which have the kind of Serviceability that satisfies desire directly, are finished; whereas those that do so indirectly, something being yet necessary to be done to give them final Serviceability, are unfinished. Bread in the possession of the consumer is finished. But wheat, flour, ovens, cars, and the other materials and mechanism for making bread and delivering it to the consumer, and also the bread in the store, are in the other category. Something remains yet to be done by Labor before they have the final kind of Serviceability. To the degree, therefore, that they are used in or are devoted to satisfying the desire for bread, mediately, they are unfinished bread.

With reference to its economic Serviceability, then, there are two kinds of Wealth, namely, Finished and Unfinished. This distinction is important, as we shall see when we get back to Trade; for in Trade it is unfinished wealth that constitutes capital.

Value.

Value as well as Serviceability attaches to Wealth. Since artificial objects, or Wealth, have Serviceability—are capable, that is, of satisfying desire—they have possibilities of Value. But they do not for that reason alone actually exhibit Value. They must be scarce as well as serviceable.

If artificial objects could be produced by simple fiat, they would have as much Serviceability as if produced laboriously; but they would have no Value, because they would never be scarce. But why wouldn't they be scarce? Because their acquisition in abundance by everybody would be irksome to nobody. Inasmuch, then, as man is not endowed with magical power; as he cannot say, "Let there be bread!" and there is bread; as, on the contrary, every artificial object is produced only at the expense of human exertion, often severe, and always irksome if frequently repeated—this being the commonplace fact, artificial objects are always scarce except as irksome labor modifies their scarcity.

Their possibilities of Value are realized or made manifest through scarcity; but nothing, however scarce, can have Value unless it possesses the quality of Serviceability. It may have no utility, and still have Value. It may be incapable, that is, of serving any useful purpose, and yet be valuable. But it must have Serviceability of some kind. It must be capable of serving some purpose,

or it will be valueless. Value cannot rest upon nor coexist with non-Serviceability. This does not mean that Serviceability and Value are the same thing. They are different things. Nor does it mean that the measure of one is the measure of the other. A given degree of Serviceability has different degrees of Value according to circumstances. What is meant is that Serviceability is the immediate active cause, the immediate generating force, of Value; that no object can under any circumstances have any Value unless it is or seems to be capable of serving some purpose.

Scarcity being necessary to make manifest the Value that resides potentially in Serviceability, all the elements of the Value of Wealth spring from Labor. It is a resultant of two Labor forces—the dynamic of productive power, and the inertia of irksomeness. Productive power can generate Serviceability; irksomeness restrains productive power; the equilibrium is indicated by Value. The application of Labor artificially invests objects with Serviceability, and the irksomeness of Labor invests their Serviceability with Value.

Even to Robinson Crusoe, alone upon his island, this phenomenon of Value was present, though he might not have recognized it by name. He certainly would have valued more those of his artificial possessions that would have cost him great exertion to replace, than those that would have cost him less. The point is admirably made by Henry George.* Referring to Crusoe, he writes that the essential idea of Value "would be brought out in Crusoe's mind by any question of getting or saving one of two or more things. Of several things to him equally useful, which he might find in the wreck of his ship, or

* *"Science of Political Economy,"* page 248.

on the shore line under conditions which would enable him to secure but one; or of several equally useful to him, which were threatened by a deluge of rain or an incursion of savages, it is evident that he would 'set the most store' by that which would represent to him the greatest effort to replace. Thus, in a tropical island his valuation of a quantity of flour, which he could replace only by cultivating, gathering and pounding the grain, would be much greater than of an equal quantity of bananas, which he might replace at the cost of plucking and carrying them; but on a more northern island this estimate of relative value might be reversed. And so all things which to get or retain would require of him toil, would come to assume in his mind a relation of value distinct from and independent of their usefulness, a relation based on the greater or less degree of exertion that their possession would enable him to avoid in the gratification of his desires. . . . In the last analysis, value is but an expression of exertion avoided."

The last sentence of that quotation furnishes probably the most exact explanation of Value to be found anywhere in the books: "an expression of exertion avoided"—an expression, that is, of Labor saved. It throws a bright light upon the whole subject of economic Value, whether of artificial or other objects, making it perfectly clear why some things are more valuable than others, and why the degrees of difference are so numerous and extreme. It is not the Labor saved-up or stored in a serviceable object, but the Labor to be saved or avoided by possession of the serviceable object, that gives it Value; and degrees of Value are regulated by the degrees of Labor to be saved by possession of the objects, respectively, to which Value attaches.

Primarily, the objects to which Value attaches are artificial—those objects distinguished as Wealth. This is because such objects are primarily non-existent. They come into being only through Labor, which must be exerted to modify the natural scarcity; and since that exertion is irksome, its results are valuable in the degree that they will serve to save the possessor further exertion.

But secondarily, Value attaches also to natural objects —those distinguished as Land. It does so only secondarily, because primarily Land is not non-existent. On the contrary, primarily it is superabundant. But when some parts of it yield easier returns to Labor than other parts, those parts are capable relatively of saving Labor in the production of Wealth. Consequently, if such Land is made scarce by monopolization it becomes valuable; and the degree of its value is in accordance with the degree of Labor it is capable of saving its possessor.

Trade.

Such being the nature of Value, nothing but a peculiarity of Labor not yet considered, is necessary to cause Trade. This peculiarity is best known as Division of Labor, though the better term is Coöperation. It results from the law of human nature already mentioned, that men try to satisfy their desires in the easiest known way.

Evidently a larger general result, a greater volume of Wealth, can be produced with less Labor if some men work regularly at one or some parts of one thing, and others at other things or some of their parts, than if each man works at everything. If, for instance, armies of workmen devote their time and energies to preparing leather, separate groups doing over and over some particular act in the process from raising the cattle to tan-

ning hides; if other armies, also divided into specialized groups, turn the leather into shoes; if still others do the transporting and others the storekeeping, while others divide up into groups to make and maintain the machinery, and so on, more and better shoes will be made and brought to consumers than if each of these men were to devote the same energy to all the processes of making and delivering shoes. This is true of all artificial objects. It is, therefore, economical to make and deliver Wealth by the process which should be known as Coöperation, but is known as Division of Labor.

This process may be observed in two aspects. Sometimes men literally divide their efforts, to produce results which would otherwise waste time and energy. Thus, two men having two errands each to do, two to the eastward a mile and two to the westward a mile, will do them more easily and quickly if one attends to both in one direction and the other to both in the opposite direction, than if each does one errand in each direction. By dividing their efforts, they economize time and energy. The other aspect of Division of Labor is exhibited when men join their efforts to produce results which none of them could accomplish alone. Thus our two men could build two houses, each of which would be better than either man could build alone. So Division of Labor means not only division, but also union, of labor; which is in itself a good reason for preferring the term Coöperation.

Now the things so done would, as we have seen, have Serviceability. Otherwise, they would not be done—certainly not systematically or regularly, which is of the essence of political economy. These two houses, for example, would serve to live in; and if bread were the object of

two of those errands and meat of the other two, the meat and bread would serve for food.

Having Serviceability, under circumstances which would enable their possession to save necessary Labor in order to satisfy desire (which implies Scarcity), they would also have Value. The Value of the houses would be greater than that of the lumber, etc., which would be greater than that of the timber, etc., because each in its order would be a labor-saver. So of the bread and meat. After being brought to the central point—where they were desired, else the errands would not have been done—they would have more Value than before the errands, because they would save the Labor of bringing that much bread and meat to that point to satisfy the desire which caused the errands to be undertaken.

We now have a grasp of the conditions of Trade.

To recur for illustration to the examples: When those houses are finished, their possession will save equal Labor. Consequently they have equal Value, and the two men will exchange their respective undivided interests equally. Each will swap his undivided interest in the house he gives, for the other's undivided interest in the house he gets. So each comes to own, as the result of his own labor, a whole house, which neither is capable of building by himself.

Likewise with the errands. When they are done, the two men have at the central point, where they are wanted, two loaves of bread fetched a mile in one direction, and two pieces of meat fetched a mile in another. As the possession of either loaf will save further Labor in equal degree, they have equal Value. Similarly of the pieces of meat. But how much Labor would each loaf of bread save over and above its cost at the mile-away bak-

ery? Obviously not more than a two-mile walk. Precisely so with the pieces of meat. Consequently, as a rule, no one would give more for either than the equivalent of a two-mile walk. Therefore, the man who fetched the bread would trade even, his extra loaf for the other's extra piece of meat, and vice versa, provided each had cost the same at the point from which it was carried. If either had cost more at that point, the men would adjust this difference and then trade even.

Now, it is the same in principle whether two men do each other's errands and swap the results, thus securing bread and meat with economy of Labor; or whether two men help build each other's houses and swap their Labor interests therein, thus securing better houses than either can build by himself; or whether millions upon millions of men help get one another's bread and meat, help build one another's houses, help make one another's clothes, help furnish one another's luxuries—in a word, contribute to the making and delivery of every variety of artificial objects, by coöperatively dividing and uniting Labor, and then swap their respective interests. The principle is identical.

It is by means of this Division of Labor that the social body economizes Labor in the production of Wealth, and by means of this swapping that the Wealth which Labor draws forth is distributed. The whole process of making and swapping is Coöperation, or Division of Labor and Trade. Whoever gets any species of Wealth in free exchange for his Labor has in effect produced the thing he gets. It is the same in principle as if he had made it himself; for, exchanges being voluntary and in free conditions, what one gives is as a rule the equivalent in Value of what he gets.

It is a mistake to suppose that in our day the individual cannot rightfully own any kind of Wealth because no individual now completely produces any kind. When the Value of what he contributes in Trade to the volume of Wealth in one form is equivalent to the Value of what he draws in Trade from the volume of Wealth in another form, it cannot be fairly said that he has no moral or economic title to what he draws out.

As we have already found, there are two kinds of Serviceability—mediate and final, a flouring mill being typical of the one and a loaf of bread in the larder of the other. We have distinguished these as Finished Wealth and Unfinished Wealth. It is only in conditions of Trade that this difference becomes important. For it is only in those conditions that these two different kinds of Wealth fall into different ownerships.

In Trade, however, Unfinished Wealth, that is Wealth having distinctively mediate or indirect Serviceability as distinguished from final, the Serviceability of the mill in contradistinction to that of the loaf of bread, becomes a distinctive class of property and is therefore subject to different ownerships. Whereas Robinson Crusoe, of Selkirk's firm island in the sea, was only one individual and owned 'in common," so to speak, all his Wealth, unfinished as well as finished, tools as well as final satisfactions, the Robinson Crusoe of Galileo's floating island in space, is composed of millions of individuals, some of whom own one kind of unfinished Wealth, some other kinds, and some others still, and all own, in greater or less degree, at least now and then, a supply of finished Wealth. When Unfinished Wealth is thus differentiated by Trade into a distinctive class of property it is known as capital Wealth—for short, Capital.

Other things are often called Capital. But it is technically wrong and logically misleading to call them by that name if we give the name to Unfinished Wealth. Money, for instance, is not Capital. The fact that it will trade for Capital does not make it such, any more than the fact that a new pair of shoes will trade for a five-dollar greenback makes them money. Though money may represent Capital it is itself something else. Neither is a building site Capital, nor a mineral deposit, nor any other natural object. Natural objects are distinguished as Land. In a slave country slaves might be called Capital, but they are not Capital. Slaves are workingmen. They are therefore distinguished as Labor. Capital is the distinctive term for that form of Wealth (which means artificial objects adapted to satisfy human desires) that has mediate or indirect as distinguished from final Serviceability. It is Wealth which is not yet in the hands of the consumer—Wealth which is, therefore, in the economic sense, unfinished.

Out of this segregation of Capital Wealth from Final Wealth, arise all problems with reference to interest, or the so-called earnings of Capital. These problems are too much involved in confusions of Capital with things that are not Capital, to admit of examination in this general survey of first principles. It will be enough here to say that inasmuch as Capital is a class of Wealth, and all classes of Wealth are produced by Labor, the earnings of Capital, if such there be, must be earnings of Labor. They therefore belong, in fairness, to whoever has either made the earning-Capital with his own Labor or acquired the ownership of it in free exchange, Value for Value, for what he has made with his own labor. Interest on Capital is but a form of Wages for Labor.

This brings us to a consideration of the earnings of Labor in conditions of Trade, for which Wages is the technical term. But as "wages" means colloquially only the hire of certain classes of subordinate workmen, another caution is necessary. Since Labor comprehends all human effort, whether of brain or muscle, in producing satisfactions for human desires, and not merely hired labor, so the compensation for Labor comprehends more than the pay of hired laborers. That proportion of the whole volume of Wealth that flows to Labor as its share is what is meant by the technical term Wages.

If Labor were the only factor in the production of Wealth, that is, if human exertion could create artificial objects out of nothing, needing neither raw materials nor standing room nor natural environment of any kind, then all the Wealth created would go to laborers as Wages in return for their expenditure of effort in producing it. In other words, Wealth and Wages would then coincide. The non-laborer could take nothing except by theft or as a voluntary gift from his toiling brethren.

But Labor cannot create Wealth. It can only produce or draw forth Wealth from external nature—from Land. It must go to Land alike for materials and implements and final product—for capital Wealth, as well as final Wealth,—and to Land also for a working place.

Yet, so long as there is no scarcity of the best quality of requisite Land, it is the same with reference to compensation as if no Land were needed. For one place being as good as another, and every place offering opportunity in excess of the need, there would be no premiums for place, and the entire product would go to Labor as Wages. Wealth and Wages would still coincide.

But with the monopolization and consequent scarcity of

superior places, there enters the possibility of diverting some proportion of Wealth, as premiums for place, to another category than Wages. This proportion is classified apart from the rest because it represents an economic difference—a saving of Labor which the better but scarce sites offer over the abundant but poorer ones. The term for that class or category is Rent, which means, of course, not merely what tenants pay to landlords for real estate, but comprehensively what can be exacted for Land as distinguished from real estate—what can be exacted for superior places. It is in this manner that Land acquires Value, the Rent of Land and the Value of Land being only different manifestations of the same economic fact. Land Value is simply the capitalization of potential Land Rent.

Rent attaches to Land as Wages attach to Labor. Consequently, the laborer on a specially desirable and scarce site may differentiate his Rent from his Wages by transferring his Land, or he may have it differentiated against his will by expropriation.

When this differentiation is made we have that most fundamental phenomenon of Trade, the distribution of artificial objects or Wealth in two categories: Wages, which is all the Wealth that remains after what is due to the advantages of exceptional and scarce places has been deducted; and Rent, which is the proportion of Wealth that is due to the advantages of those places. This primary division is regulated by competition for Land.

A secondary division, also regulated by competition, divides Rent among land owners in proportion to the value of their land holdings, respectively, and the Wages fund among workers in proportion to the value of their services respectively.

As Labor becomes more and more productive of Wealth, exceptionally desirable Land becomes relatively more and more scarce; consequently the Rent fund tends to increase side by side with the Wages fund. This makes it highly desirable to own such Land. For one may thus satisfy his wants with least exertion, or with no exertion at all; a patent fact which generates a tendency to monopolize Land in advance of general need for it, with the expectation or hope that it may come to command exceptional advantages for Labor—that a city may spring up near it or on it, or a mine be discovered under its surface, or a farming population grow thick in the region. But this tendency has the effect of abnormally lessening the general market supply of Land, and thereby, so to speak, of inflating or "watering" Rent.

Now, Rent proper represents a normal advantage. It does not press upon the Wages fund, but equalizes Wages up to the standard of Labor done without peculiar advantages of place. Laborers thereby get equal returns for equal work, regardless of location.

But the "water" in Rent does make a pressure upon Wages. It can be traded for Wealth only at the expense of the Wages fund. This is the condition when most of the Land having superior Serviceability is monopolized. Rent, expanded by "water," presses more and more upon the Wages fund until that fund is so compressed that Labor refuses to continue production for the abnormally reduced compensation. Then the "water" bag collapses. When this happens we call it industrial depression; and we call the readjusting process "hard times."

Taxation may play an effective part in the economic pressure of "watered" Rent upon Wages. If trading transactions are taxed, the Wages fund will be dimin-

ished, and Labor thereby weakened so as to be able all the less to resist the pressure of "watered" Rent—the political moral of which would seem to be that trading ought to be exempt from taxation. If the owning of Land having Value (which is the equivalent of rent-yielding power) is taxed, the Rent fund will be diminished, thereby weakening the force of its pressure upon Wages—the political moral of which would seem to be that such Land-owning ought to be taxed.

Either Trade or Land monopoly may be obstructed by taxation to a far greater extent than the amount of the tax. This may happen if trading is so heavily taxed that it is checked, or land monopolizing so heavily taxed as to be discouraged. In comparing these differing effects of taxation it might be wise to observe that trading serves mankind best when it is not obstructed, and that land monopoly does not serve mankind at all.

As Labor can use Land effectively without owning it or hiring it, doubtless the ideal adjustment of land tenure would be one under which men would refuse to take title save for occupancy and use. This can be best secured by taxing Rent into the common purse, which, by removing temptations to forestall Land, would at once let out the "water"—and keep it out. There would thus be left no other motive for seeking title than desire to use.

It would be ideal also in this, that it would leave to Labor in the Wages fund for competitive distribution, the earnings of individual effort, while taking for Labor in the Rent fund, for public or common use, the undistributable earnings of social effort as an indivisible whole. Wealth would then coincide with the sum of two kinds of earnings—Wages, or the distributable mass of individual earnings; and Rent, or the undistributable mass of

social earnings. The nearer this distribution is realized, the nearer do we approach the economic ideal.

Money.

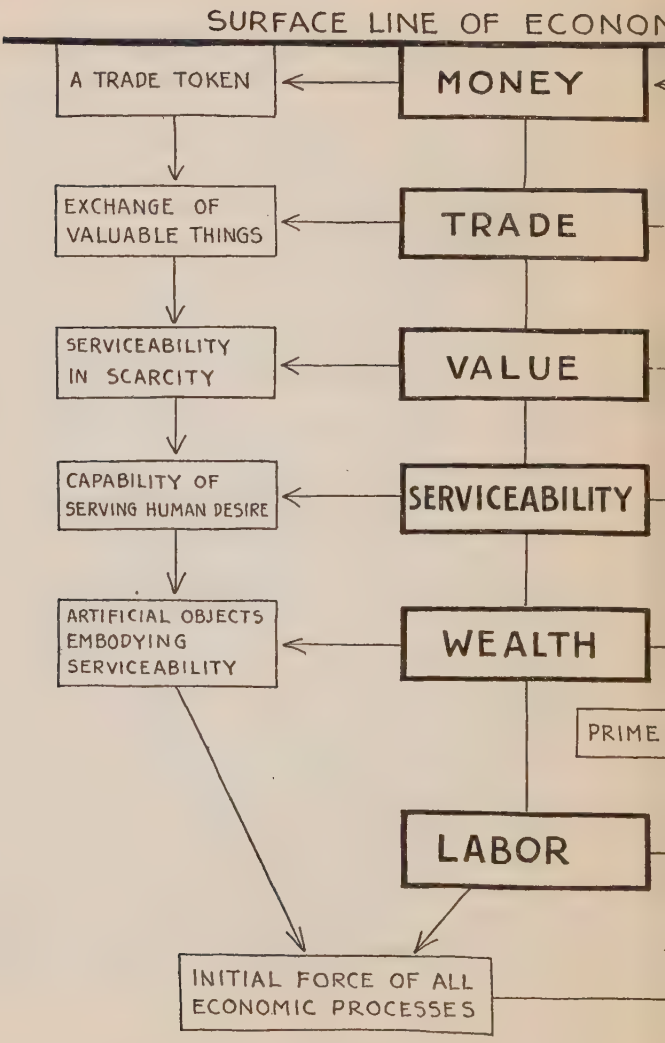
Coming now back again to the surface where our exploration began, we are again confronted with the phenomenon of Money.

In the concrete, Money is a token of Trade. For a metal disc called a cent we get a stick of candy, and the storekeeper passes the disc on to others in exchange for whatever he wants—maybe two sticks of candy, to be sold again at a profit. We may do the same thing in larger transactions with a silver dime, or quarter, or half, or dollar, or with gold coins or paper money. All these are tokens of trade, which close transactions and leave no obligation of debt behind.

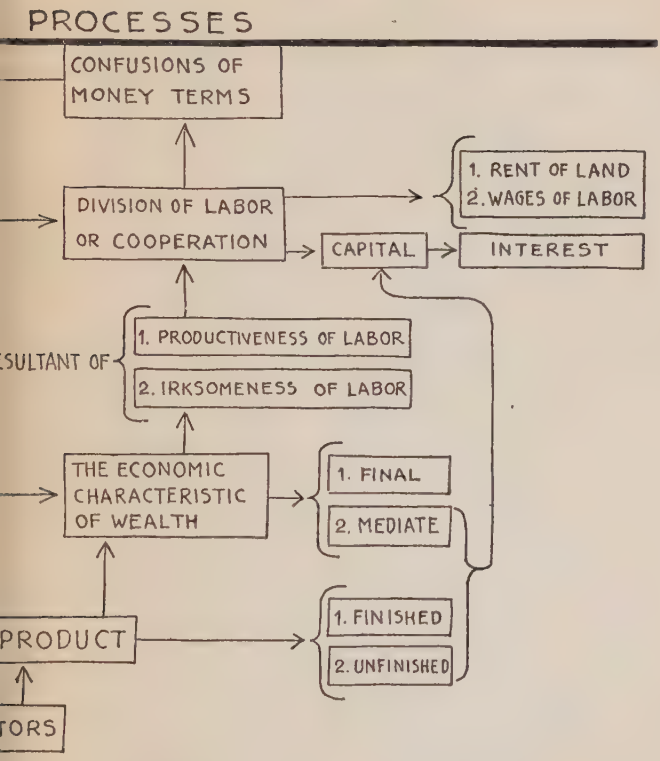
But comparatively little of the world's trading is done by the actual passing of such tokens. Checks and drafts, which are orders upon bookkeepers directing them to shift credits upon their ledgers, are used for the most part. Yet money terms are retained, checks and drafts being drawn and all commercial books being kept in the language of Money.

It is characteristic of Trade that the terminology of Serviceability, as pounds and ounces, or feet and inches, or quarts and pints, is translated into the terminology of Value, as francs and centimes, or pounds, shillings and pence, or marks and pfennigs, or dollars and cents. Consequently, confusion of thought often arises. It is said, for instance, that some man is worth a million dollars, and the imagination pictures him as possessing that much Money. But he has nothing like it. What is really meant is that he has property the Value of which is equal to a million dollars of Money.

DIAGRAM OF AN ECONOMIC EX



ORATION AND SURVEY



This use of money terms for measuring property is a prolific cause of crooked thinking regarding economic relationships. It confuses just and unjust property in a bewildering muddle. When we say that two men are each worth ten thousand dollars, we think of their property rights as identical. Yet the property rights of the one might be utterly indefensible, while those of the other might be wholly unobjectionable. Could we examine their inventories we might find that the one owns thousands of dollars' worth of slaves (who are in justice entitled to own themselves); thousands of dollars' worth of private taxing power (which is a privilege of extortion); and thousands of dollars' worth of land (which is a common inheritance); while the entire fortune of the other might consist of buildings, machinery and the like (which are justly his if he has made them himself or has swapped his labor for them, directly or indirectly, to their makers). These fundamental moral and economic distinctions are covered up by the use of money terms for indiscriminately measuring Serviceability in Trade.

For that reason it is necessary to examine, as we have done, into the nature of Trade, where the language of Money prevails; to probe Value, which makes Trade possible; to consider Serviceability, from which Value proceeds; and to analyze Wealth, which embodies Serviceability. Having done that, we find that Wealth, from which spring all these phenomena—Serviceability, Value, Trade and Money—is the product of Labor applied to Land. A diagram of the route and ramifications of this economic exploration and survey is given in connection with this chapter for the purpose of refreshing the memory and aiding the understanding of the reader.

PROPERTY RIGHTS.

We are able now clearly to see that the justice of any property right, though its Value be expressed in terms of Money regardless of its economic character, depends at last upon its relations to Labor and Land. These things lie back of all kinds of "vested rights."

And they determine infallibly whether any of those rights are just or unjust. For there are two ways, and, broadly speaking, only two, whereby man enslaves his fellow man. He may do so by acquiring "vested rights" in Labor, which enable him to compel workingmen to work for him. This is called chattel slavery. Or he may do so by acquiring "vested rights" in Land, which enable him to deny life to workingmen unless they work for him. This is called land monopoly. In the one case the slavery is active; in the other it is passive.

In either there may be great varieties of form. Ownership of Labor does not consist alone in title deeds to slaves. Any taxing power for private profit is of the same nature. It compels men to give up part of their earnings for nothing. Neither does ownership of Land consist alone in the title deeds to particular parcels of earth laid off by metes and bounds. All public franchises, as street car privileges, railroad rights of way, dock privileges, and the like, are in their nature the same. The essence of slavery, active or passive, is in every one of them.

"Slavery," someone has said, "is the sum of all sin." He only put into other phrase the sentiment of Paul: "The love of money is the root of all evil." To love money, and not the earning of it, is to love slavery. And that is the sum and substance of all economic problems and of all civic morality.

CHAPTER VII

SOCIAL EVOLUTION

FEW things in human history are more obvious than the effect upon social institutions in general of changes in economic conditions. Restricted economic systems have always been prejudicial to the business, the politics, the art, the morals and even the religions of the societies that have tolerated them; while advances in economic freedom have everywhere been followed by improvement in all other spheres of social aspiration and effort.

This obvious historical truth could hardly be more impressively portrayed than in these eloquent words:

"Only in broken gleams and partial light has the sun of Liberty yet beamed among men, but all progress hath she called forth. Liberty came to a race of slaves crouching under Egyptian whips, and led them forth from the House of Bondage. She hardened them in the desert and made of them a race of conquerors. The free spirit of the Mosaic law took their thinkers up to heights where they beheld the unity of God, and inspired their poets with strains that yet phrase the highest exaltations of thought. Liberty dawned on the Phoenician coast, and ships passed the Pillars of Hercules to plow the unknown sea. She shed a partial light on Greece, and marble grew to shapes of ideal beauty, words became the instruments of subtlest thought, and against the scanty militia of free cities the countless hosts of the Great King broke like surges against a rock. She cast her beams on

the four-acre farms of Italian husbandmen, and born of her strength a power came forth that conquered the world. They glinted from shields of German warriors, and Augustus wept his legions. Out of the night that followed her eclipse, her slanting rays fell again on free cities, and a lost learning revived, modern civilization began, a new world was unveiled; and as Liberty grew, so grew art, wealth, power, knowledge, and refinement. In the history of every nation we may read the same truth."*

So manifest is this order of social phenomena whereby social improvement follows advances in economic freedom, and not only with reference to past times but also in our own day, that social progress seems to be generated by economic modes; and from that inference materialistic evolutionists draw far-reaching conclusions. Economics becomes to them a sort of social protoplasm, out of which the higher institutions and even the ideals of society are progressively evolved.

The plausibility of this theory is greatly enhanced by the undeniable fact that institutions of higher degree are affected in character and direction by existing economic conditions. The economic struggle taints our politics with corruption, rests our morals on the shifting sands of utilitarianism, degrades our art to the commonplace or the sensational, and turns the high ideals of our religion into empty metaphors behind which lurks a loathsome dollar worship.

All this is because existing economic conditions force everybody into an all-absorbing devotion to the problem of securing a living. The higher qualities of human nature have consequently but little opportunity to develop

* *"Progress and Poverty,"* Book X, Ch. V.

freely. It by no means follows, however, that economic systems naturally determine the character and direction of those qualities. Nothing more is proved than that economic systems which force men to become absorbed in the problem of securing a living, hold the higher qualities of human nature down to their own low levels.

We may still infer, then, when changes in economic systems are followed by improvement on the higher planes of social life, that this result is due to another cause than materialistic evolution. So far from being limited to the theory that improved conditions on the higher planes are generated by economic change, we may fairly conclude that those conditions are attributable to the fact that the economic change has freed the higher qualities of men from the thraldom of bread winning. Instead of affording proof of materialistic evolution, such changes are instances of spiritual emancipation.

It is true, of course, that men must eat and drink and be clad before they can think effectively about art or morals, politics or religion, or in any other manner give free play to their higher faculties. They must, moreover, not only have all the bodily comforts that food and drink and clothing symbolize, but must also be reasonably assured of always having them, before their thoughts can soar very far above economic levels.

So long as economic necessities are forced into the foreground, higher impulses will be driven into the background. While the mind is worried with economic thoughts, moral and spiritual thoughts will be clouded. Any economic system, therefore, which perpetually stimulates a universal and obtrusive fear of want, must give direction and character to every other social institution. It does this, however, not by processes of generation or

materialistic evolution, but by holding the higher functions of the mind in check.

Emancipate the higher human qualities by banishing want and fear of want, and social development will no longer be determined by economic adjustments. The higher human faculties, freed from the enthrallment of bodily needs, will rise toward their source—which is not material, but spiritual.

The theory that all social movement is generated and determined by economic adjustments, assumes that an effect can be greater than its original cause. It attributes the origin of the higher characteristics and possibilities of social life to the lower. And this extraordinary method of accounting for moral and spiritual qualities in man, is, heaven save the mark, sometimes called "scientific." It would be as scientific to assume that water naturally rises above its source, or that machinery naturally gives out more power than has been put into it.

Economic systems cannot be the original cause of institutions that rise above the economic. If morality, for instance, is *evolved* from economic conditions, an equal moral force must have been first *involved* into economic conditions. So, also, with art, politics, religion and all the rest. Nothing superior to economics can be got out of economics without having first been injected into economics. But that implies what materialistic evolutionists deny—a first cause or force, a force which descends from highest spirituality to lowest materiality and then returns. It is a force that in this respect may be likened to rays of sunlight which upon striking the face of a mirror are reflected back. The mirror does not generate the light it projects. Neither does the material generate the spiritual.

The manifestations of this force through the higher

faculties of the human mind and heart may, indeed, be checked by obstructions along the lower levels through which it rises. But in no other sense can it be truly said to be directed or determined by those levels. They support and may be made to check it; but they have no vitality of their own to give. Remove the obstructions, and the higher faculties are no more determined by the lower functions than the volume of water in a reservoir is determined by the shape of the pipe through which it is received from its source in the mountain lake.

Given an economic condition from which the fear of want had been banished, and the higher functions of society would be determined, not by economic modes, but by moral ideals unobstructed and unpolluted by sordid anxieties and hopes and fears.

Nor need we think of such an economic condition as fanciful. On the contrary, it is entirely natural in the social state. It would be a reality to-day, under the existing economic system, but for immoral political interferences with the natural distribution of wealth. The possibilities of satisfying the material wants of mankind are practically unlimited. If all men who are willing to work for their living were allowed to work, and each who works were free to demand effectively the share which his work adds to current production, there would be neither want nor fear of want, but more than enough for all. But by setting up and perpetuating the institution of private ownership of the habitable globe, we have empowered a comparatively few to regulate by their own all-powerful interests the amount and character of work to be done and the shares into which the result shall be distributed. We have thereby perpetuated the problem of want and the fear of want.

What keeps this problem alive is not our economic system in itself, but one of our political institutions reacting upon our economic system, and an immoral institution at that. To be more specific, it is not competition, the essence of our economic system, that keeps the problem alive; it is land monopoly, which obstructs competition and makes it lop-sided. Abolish land monopoly, and the want problem would banish itself. Abolish land monopoly, and our economic system, freed from obstruction, would emancipate the higher human faculties.

So long as these are held in subjection to economic systems, whether the systems be selfishly plutocratic or fraternally socialistic, just so long will their activities be directed and determined by the debasing spirit of utilitarianism. But immediately upon their release their activities would come under the influence of moral ideals, derived, without sordid pollution or distortion, from the original moral force of the universe. This is the only social evolution which, being sound in natural principle, is wholesome in all its processes.

PART VI

DEMOCRATIC GOVERNMENT

Government of the people, by the people, for the people, shall not perish from the earth.

—Speech at Gettysburg, by ABRAHAM LINCOLN.

Many politicians of our time are in the habit of laying it down as a self-evident proposition, that no people ought to be free till they are fit to use their freedom. The maxim is worthy of the fool in the old story who resolved not to go into the water till he had learnt to swim.

—*"Essay on Milton,"* by MACAULAY.

I will have never a noble,
No lineage counted great;
Fishers and choppers and ploughmen
Shall constitute a state.

—*"Boston Hymn,"* by RALPH WALDO EMERSON.

So long as a single one amongst your brothers has no vote to represent him in the development of the national life, so long as there is one left to vegetate in ignorance where others are educated, so long as a single man, able and willing to work, languishes in poverty through want of work to do, you have no country in the sense in which country ought to exist—the country of all and for all.

—*"On the Duties of Man,"* by MAZZINI.

I charge thee, Love, set not my aim too low;
If through the cycling ages I have been
A partner in thy ignorance and sin,
So through the centuries that ebb and flow
I must, with thee, God's secrets seek to know.
Whate'er the conflict, I will help to win
Our conquest over foes without—within—
And where thou goest, beloved, I will go.

Set no dividing line between the twain
Whose aim and end are manifestly one;
Whate'er my loss, it cannot be thy gain—
Wedded the light and heat that make Life's sun.
Not thine the glory and not mine the shame.
We build the world together in one Name.

—*"The New Eve to the Old Adam,"* by ANNIE L. MUZZEY, in *Harper's Magazine.*

O blood of the people! changeless tide, through century, creed and race!
Still one as the sweet salt sea is one, though tempered by sun and place;
The same in the ocean currents, and the same in the sheltered seas;
Forever the fountain of common hopes and kindly sympathies;
Indian and Negro, Saxon and Celt, Teuton and Latin and Gaul—
Mere surface shadow and sunshine; while the sounding unifies all!
One love, one hope, one duty theirs! No matter the time or ken,
There never was separate heart-beat in all the races of men!

But alien is one—of class, not race—he has drawn the line for himself;
His roots drink life from inhuman soil, from garbage of pomp and pelf;
His heart beats not with the common beat, he has changed his life-stream's hue;
He deems his flesh to be finer flesh, he boasts that his blood is blue:

Patrician, aristocrat, tory—whatever his age or name,
To the people's rights and liberties, a traitor ever the same.
The natural crowd is a mob to him, their prayer a vulgar rhyme;
The freeman's speech is sedition, and the patriot's deed a crime.
Wherever the race, the law, the land,—whatever the time, or throne,
The tory is always a traitor to every class but his own.

Thank God for a land where pride is clipped, where arrogance stalks apart;
Where law and song and loathing of wrong are words of the common heart;
Where the masses honor straightforward strength, and know, when veins are bled,
That the bluest blood is putrid blood—that the people's blood is red.

—*"Crispus Attucks,"* by JOHN BOYLE O'REILLY.

Patricians and plebeians, aristocrats and democrats, have alike stained their hands with blood in the working out of the problem of politics. But impartial history declares also that the crimes of the popular party have in all ages been the lighter in degree, while in themselves they have more to excuse them; and if the violent acts of revolutionists have been held up more conspicuously for condemnation, it has been only because the fate of noblemen and gentlemen has been more impressive to the imagination than the fate of the peasant or the artisan.

—FROUDE'S *"Caesar,"* Ch. VIII.

CHAPTER I

SELF-GOVERNMENT

WHEN the American colonies had determined to secede from Great Britain, and, as they expressed it, "to assume among the nations of the earth the separate and equal station to which the laws of Nature and of Nature's God" entitled them, they formally stated the causes that impelled them to the separation; and in justification of their revolutionary purpose, they proclaimed certain principles which they held to be self-evident truths. The document in which they did this is known to every American school boy as the Declaration of Independence.

In so far as that document states the causes that impelled the colonies to throw off a foreign yoke, it is to us of this generation only a historical monument. However oppressive, however arrogant, however tyrannical the policy of George III may have been towards the British colonies in America, that policy is to this generation of Americans of no vital concern. It belongs with the dead and buried past. But in so far as the Declaration of Independence enunciates what its signers characterized as self-evident truths, it is more than a mere landmark of history. In that respect it is the pole star of our national career, the chart by which our ship of state must steer or be pounded on the rocks, the breath of national life which God breathed into the nostrils of our republic. Those truths are indeed self-evident, and they are as vital now as ever. Incontestable

inferences from the all-embracing principle of the universal Fatherhood of God and the consequent brotherhood of man, and therefore denied only by avowed or virtual atheists, they make the Declaration of Independence immortal, and place this nation, to the degree that it faithfully holds to them, in the van of human progress.

First among the self-evident truths which the founders of our nation thus proclaimed is the equality of all men. This is the tap root of democracy. It always has been and always must be. It is the antithesis of the doctrine of the "divine right of kings." Not that all are created equal in size, or strength, or intellect, or will. That is not the implication. But that all are endowed equally by their Creator, as the Declaration of Independence goes on to explain, "with certain unalienable rights," among which "are life, liberty and the pursuit of happiness." It is equality of natural rights, therefore, and not uniformity of personal characteristics, with which all men are held by democracy to be endowed.

Proceeding from this primary truth, the Declaration of Independence next proclaims the rightful origin and scope of government. By what right do we place any part of man's conduct under governmental control? and whence comes authority to govern? The answer of the Declaration of Independence is plain. Government is for the protection of the rights to life, liberty and the pursuit of happiness, already asserted; and it originates with the people themselves. "To secure these rights," says the Declaration, "governments are instituted among men, deriving their just powers from the consent of the governed." Just powers of government, then, are derived from the consent of the governed; governmental powers not so derived are unjust. This funda-

mental proposition is also an indispensable corollary of the primary principle that "all men are created equal"; for if all are created equal, none can have been born to govern the rest.

Self-government is the only natural government. It is the only kind of government that all were intended for. This is well enough proved by the fact that no one has ever come into the world with a divine commission, not a legible one at any rate, to govern others. All claims of natural right to govern others without their consent have rested upon might instead of right, and have turned out in the end to be only claims to misgovern.

The autocratic plea that some peoples are unfit for self-government was riddled by Macaulay when he said: "There is only one cure for the evils which newly acquired freedom produces; and that cure is freedom. When a prisoner first leaves his cell he cannot bear the light of day; he is unable to discriminate colors or recognize faces. But the remedy is not to remand him into his dungeon, but to accustom him to the rays of the sun. The blaze of truth and liberty may at first dazzle and bewilder nations which have become half blind in the house of bondage. But let them gaze on, and they will soon be able to bear it."

The democratic doctrine of self-government is the life-giving principle of the American polity. Not only is it proclaimed by the Declaration of Independence, but it is woven into our national history. True, we have not been strictly faithful to it. Manhood suffrage did not begin with the Declaration of Independence, and woman suffrage has not begun yet except in some of our more progressive States. These faults, however, like the continued recognition of the slave trade, the persistent protection

of chattel slavery for three-quarters of a century, and the perpetuation of land monopoly even to this day, are to be accounted for rather as short-comings than as evidence of national hostility to national ideals. They were not deliberately adopted in defiance of the Declaration of Independence; they merely survived the regime which it abolished, and lapped over into the better one which it instituted. Inconsistencies of that sort are but as the wriggling of the snake's tail after the snake is killed.*

Fundamentally, government is of two kinds—government by all the governed, and government by superior force. And government by force is not government by right. The plausibility of the theory that power to govern implies right to govern, may be conceded. But the theory is plausible only; it is really without validity. Nothing could be more repugnant to moral principle than this idea that might makes right. Though might and right may often coincide, yet might is no more right than weakness is, which also often coincides with right. Might never coincides with right except by accident. Mere force cannot possibly give a moral right to govern. We must, therefore, either exclude government wholly from the domain of morals, or else conclude that it rests fundamentally not upon force but upon the consent and participation of the governed.

This conclusion is in accord with the natural law of morals. For harmonious moral adjustment in the social sphere implies equilibrium of rights and duties. The duty of every one not to steal or murder, springs from and is balanced by the right of everyone else not to be murdered or stolen from. In these respects the rights of each correlate with corresponding duties of the others. And so with all other rights and their correlative duties,

* Same subject further considered in Part VII, Chapter II, *"Patriotic Ideals."*

among which is the right of each to be free within the limitations of like freedom to all—limitations which are defined by the corresponding duty of all to respect the freedom of each. As to rights and duties, therefore, all persons are naturally equal. And where all are naturally equal, none can coerce by force as matter of natural right.

In this view of the moral law, government by superior force has no warrant. Such government as may exist at all by natural right, must be government in which the governed participate.

The same conclusion follows from the more definite premise that rights to life and liberty are natural. No moral philosophy worthy the name would deny the natural quality of these rights. Nor does any political philosophy which defends government at all deny that its primary function is to protect them. Yet government by all is the only kind of government that essentially recognizes the natural right of all to life and liberty.

There is no intention here to ignore the atheistic objection to the idea of natural rights. Many learned men deny natural moral law. They contend that questions of righteousness are questions of expediency; and that in nature, including human nature, there is no such thing as a right to be claimed or a duty to be performed. They profess to recognize no absolute moral standards, holding only that to be right which from experience appears to them to be wise. Such men are atheists. Though they preach from pulpits or teach in the class rooms of pious universities, they are atheists nevertheless. To deny the eternal sway of invariable moral law is to deny God. It is impossible, consistently with sincere recognition of a Supreme Ruler of the moral as well as material universe, to regard problems of right and wrong as mere

questions of expediency. Though moral laws may be discovered by experience, it is not out of experience that they take their rise, nor do they vary with its variations. Just as the physical laws of gravitation existed and operated with unvarying constancy during all the time before Newton's experiments, so the moral law must have existed before it was discovered by experience or formulated by philosophy. It must be coeval with that personification of infinite justice which men call God, and be as immutable. It was as truly a violation of moral law to steal before Moses promulgated the eighth commandment as after some social experimenter discovered that honesty is the best policy.

But it is not to atheists, either of the pious or the impious sort, that these considerations regarding self-government are addressed. Those of them who do not believe in natural rights at all, are in no mental condition to reflect upon an argument for natural principles of government. Let us revert, then, to the main point. Which kind of government is natural—government by the governed, or government by superior force?

Under an absolute monarchy, when life or liberty is at stake the only appeal is to the individual generosity of the monarch. His beneficent acts are not dictated by any recognition of another's right; they are prompted solely by his own grace. If he recognizes rights and duties at all, it is only as rights and duties between master and slave are recognized—the monarch has rights and the subject owes duties. The great fundamental natural rights to life and liberty are not guaranteed, either in fact or theory, by absolute monarchy. The conception is wholly foreign to that system. Absolute monarchies, therefore, are not natural.

Of oligarchies the same thing is true. Though oligarchies, like monarchies, might give security to life and liberty, it would be as matter of grace and not in recognition of a natural right.

No less comprehensive a system than government by all can secure those rights as natural rights. That is the only system which essentially recognizes them as natural, and under which every person is armed with the best weapon of peace yet known for protecting them. Where all are accorded an equal voice in government as matter of right, no one is likely in practice to be denied equal consideration with reference to his life or his liberty; and no one can be denied it consistently with the principles of such a government.

The question of self-government would be very much simplified, if a clear distinction were drawn with reference to the legitimate functions of government. No form of government has any right to coerce an individual regarding his individual concerns. Coercion of individuals in individual concerns is an invasion, an aggression; and it does not cease to be such because the invader and aggressor is a government instead of another individual or a mob. This is as true of government by all as of government by one.

The first consideration in this connection is the self-evident proposition that in human society there are two classes of rights—those pertaining to the individual, and those pertaining to the community. Of course these rights have their corresponding duties. Duties and rights are reciprocal. There can be no right without a correlative duty, nor any duty without a correlative right. In human society, therefore, there are rights and duties which attach to the individual as an

individual, and other rights and duties which attach to him as a member of the community. For convenience these rights and duties may be distinguished, the one class as "individual" and the other as "communal."

Individual rights and duties are to be considered as if there were no community. They inhere and are complete in the individual. Every man has, for instance, a right to live. It is a right, to be sure, that he may forfeit. If he threatens another's equal right to live, the other may in self-defense deprive him of his own right; and what the threatened individual may rightfully do, other individuals, or the community as a whole, may assist him in doing. Hence one individual may forfeit his own right to live by menacing the equal right to life of any other. But primarily, he has a right to live. And as a corollary of that right it is the duty of all others to let him live, as it is his duty to let them live. This right is not subject to the will of a majority of the community. It would be as despotic for a majority in a republic arbitrarily to vote away the life of a fellow, as for one person upon a throne to decree the death of a subject. Majorities may vote away lives, as monarchs decree them away; but in either case the act is one of brute force and not of right. Over the lives of individuals not forfeited by their aggressions upon the rights of others, the community, whether through the force of unlimited monarchy or of popular majorities, has no just jurisdiction. The right to live is an individual right. It is a right that belongs to the individual as such. He, and of all men he alone, has the right to dispose of it. The only just limitation upon any man's right to life is that he shall respect the right to life of every other. And as with the right to life, so with the right to all other things

relating to individuals in their individual capacity. As every man has the right to life, subject only to the equal right to life of all other men, so has every man the right to live his own life in his own way, subject only to the equal right of all other men to live their own lives in their own way. His liberty in this respect is bounded justly only by his duty to allow equal liberty to everyone else. This class of rights is individual, not communal. And self-government as to individual rights can only mean the government of each by himself, free from all meddling interference whether malevolent or benevolent.

But the other class of rights, those which attach to individuals as members of communities, are not so absolute. As to them there can be no individual disposition. They attach not to each person individually, but to all persons jointly or in common. These common or communal rights relate to the preservation of the public peace, the regulation of highways and of land tenures generally, and the administration of the common income. They are communal, as distinguished from individual, rights. It is the community as a whole, and not each individual, that has the right, for example, to determine the locality or character of a highway, the terms from time to time of land tenure, and the expenditure of the common income. The individual, therefore, has not the same right of determination as to such matters that he has as to rights that are exclusively individual. His rights here are merged in the rights of his fellows, so as to create a new right—that of the community as a whole. The community must act as to this right in its corporate capacity.

But how can the community so act? Shall it require a unanimous vote? Shall it submit to the will of a few who assume to be better qualified or more deeply inter-

ested than the rest? Or shall it listen to all who offer advice, and act in obedience to the will of the majority? Those are the three choices, and the last alone commends itself. To require a unanimous vote, would be to place communal judgment under the veto of any single individual who chose to exercise it. To submit to the will of a few, would deprive all the rest of a voice in common affairs. But by giving a voice to all and acting upon the decision of the majority, the nearest practicable approach is made to securing the judgment of the community as a whole. It is here majorities have their proper place. By means of majorities, communal as distinguished from individual rights are decided. Self-government as to communal rights, therefore, requires that all be heard and that the majority determine.

Summarizing the foregoing analysis, we find that self-government implies that as to individual rights each individual shall govern himself in his own way, free from all governmental interference, upon the sole condition that he respect the equal rights of other individuals; and that as to communal rights, each individual shall have a voice, and the majority vote shall be taken as the corporate expression.

CHAPTER II

UNIVERSAL SUFFRAGE

GOVERNMENT by all the governed, commonly designated self-government, can be administered only by universal suffrage. All the people do not govern unless all have a potential voice in the government. Universal suffrage may indeed fail to secure government by all, but there is no such thing as government by all without it. The question, then, of whether or not suffrage is a natural right is determined by the question of whether government by all or government by superior force is the natural kind of government.

It may well be objected that a majority under universal suffrage is in no wise different from an oligarchy under restricted suffrage, for it is true that majorities are often autocratic. But this is chargeable to defective methods. In essential principle, and to a very high degree in actual practice, majorities are radically different from oligarchies.

Majorities proceed upon the principle that rights to life and liberty are natural and equal; oligarchies proceed upon the theory that these rights are neither equal nor natural, but are gifts from superiors. In actual practice an oligarchy, which is a stable class placed over other classes, is unresponsive to their demands; whereas a majority, a shifting quantity in only one class but that a class which embraces the whole community, is affected by all. With these distinctions clear, all rational objec-

tions to government by majority are removed, if we conceive of government as confined to its legitimate functions. When government is conceived of as possessing power to regulate private concerns, government by majority is as intolerable as any other species of tyranny. But when it is conceived of merely as the agent for protecting natural rights and administering common property, government by majority commends itself as fair and natural. It is the only method of securing in common concerns common action in accordance with common agreement.

The same distinction also makes the naturalness of the right of suffrage self-evident. To have a voice in the management of the organization which is charged with the protection of everyone's life and liberty and the administration of everyone's interest in common property, is a natural right if anything can be.

Objections to universal suffrage as a right, which rest upon the absurdity of extending the suffrage to minors, to convicted criminals and to the insane, assuming that universal suffrage logically demands that extension, are the veriest pettifogging.

There is a period in everyone's life when he is concededly incompetent to participate in government. This is indubitably true of an infant in arms. Later there comes a period when, if of sane mind, he is competent. This is certainly true of the man or woman of 30. But as no general rule can be formulated for determining as to each person when he crosses the line between the incompetency of childhood and the competency of manhood, it is customary to fix an age period of general application arbitrarily. If the period fixed be reasonable, it involves in no rational sense a denial of the suffrage.

A similar principle applies to the insane. Men who are adjudged incompetent from insanity to manage their own affairs, may be denied the suffrage without the slightest prejudice to the principle of suffrage as a natural right. And as to convicts, the same principle that justifies the denial to them of life or liberty consistently with the theory of natural rights to life and liberty, may deny them the suffrage without raising any question of inconsistency with reference to the suffrage as a natural right.

In other words, to withhold the suffrage from persons incapable of performing ordinary obligations is not inconsistent with the principle that suffrage is a natural right. Liberty is a natural right. But consistently with that right children are held in tutelage. Consistently with that right any one who is "non compos" is restrained. Consistently with that right again convicts are imprisoned. To argue that the suffrage is not a natural right because it is properly withheld from immature individuals, from individuals adjudged "non compotes," and from criminal convicts, is to argue that liberty itself is not a natural right. And if liberty be not a natural right, then the only basis for natural right is superior force, which is a moral absurdity.*

Self-government has been defined as not a right at all but a capacity; and the right to exercise a capacity, as depending on the possession of it. That is a queer inversion. Without enjoyment of the right, the capacity can never be acquired. It is experience in governing himself that gives strength of character to the individual; it is the experience of their members participating in public affairs that gives strength of character to com-

* Same subject further considered in Part VII, Chapter II, *"Patriotic Ideals,"* and Chapter III, *"Trampling Upon Patriotic Ideals."*

munities. Even if that were not so, the anti-suffrage contention falsely assumes that some people can govern other people and some communities other communities better than the others can govern themselves. If this were true, it would lead straight to universal monarchy. For there must, in that case, be at any given time some man who can govern all the rest better than they can govern themselves; and in accordance with the contention he ought to be enthroned. At any rate, that contention is the essential principle of monarchism, which derives all its force from the theory that the masses cannot govern themselves, but must be governed, both with reference to their individual and their communal rights, by others.

Though we admitted this principle, we should still have to ask how the governing nations or classes are to be selected. If they were selected by the governed, that would be government by consent of the governed. But they never are so selected. They select themselves. And they do so selfishly. No nation or class has ever forced its dominion upon another for the good of the latter, and none ever will. The desire for mastership is the most evil of all passions; and however it may mask its designs in philanthropic pretensions, the nation or class that seeks to govern others does so for its own aggrandizement. "It is not for my breakfast that you invite me down," said the goat in the fable to the wolf who had urged him to descend to the foot of the cliff where rich grass would give him a better breakfast, "but for your own."

The mob that blows up a factory with dynamite is not to be let alone, it is objected; as if the right of its members to self-government demanded that it should be let alone. The objection is not pertinent. In such a case the

mob is restrained because it is denying the right of self-government to others. If the mob could harm no one but its own members, and not disturb or jeopardize the public peace, there would be no right of interference on the part of the community. Again, the hypothesis of government of physicians and keepers in a lunatic asylum by the insane inmates, is gravely advanced as an illustration of the unsoundness of government by majorities. This is on a par with the familiar and oft-answered objection to universal suffrage, that infants in arms would under that doctrine have the right to vote. To make exceptional conditions like these the basis for an argument against self-government and universal suffrage is to expose the weakness of the cause in behalf of which it is made.

No such plea would be offered by any candid man who had analyzed the principle of self-government by universal suffrage before attacking it. Let it be clearly understood that the principle of self-government has a twofold application—in its relation to the individual, and in its relation to the community; that in its relation to the individual, it implies that his freedom shall be limited only by the equal freedom of everyone else; that in its relation to the community, it implies that each ordinary person of maturity shall have an equal voice with every other in affecting the majority which determines the current management of affairs that are common to all—let these simple and self-commendatory propositions be apprehended, and all the frivolous talk about voting in lunatic asylums, about voting by babies, about majority government not being self-government, will sound as puerile as in fact it is. And as to the common assertion that the end of all good government is self-government, that will sound as

empty as the same sentiment applied to an individual, thus: "The end of all good conduct is self-conduct." As the individual's conduct cannot be good unless it is self-controlled, neither can government be good unless it is self-government. Despotism may preserve the peace, but despotism cannot make men peaceable. Self-government by universal suffrage, and this alone, can do that. It may not do it at once, for character is not made in a day. But it is the only kind of government that can do it ultimately.

CHAPTER III

CRIME AND CRIMINALS

WHAT to do with the criminal classes is an ever-recurring problem of democracy. It is usually treated as if these classes were composed of brutes, and it were supplementary to the problem of what to do with hawks, or rats, or foxes, or wolves or other beasts and birds of prey that pester mankind. At best it is treated as if the members of the criminal classes were a different kind of creature from ourselves, having not only a different environment, but different heredity and radically different moral impulses.

Until that attitude is changed for one more considerate, the problem will not be solved. All the whipping-posts that can be erected, all the novel methods of legalized homicide that can be invented, all the perfunctory red-tape kindness that professional penal reformers can devise, all the learning of "scientific" penology, will not in the least degree advance the solution of the criminal problem until the criminal classes are sincerely and intelligently considered as men like other men.

The first point for consideration along that line is motive. In itself criminal motive is nobody's concern but the criminal's. It does, indeed, go deeper than criminal action. It is, indeed, the essence of crime. When fostered it does build up criminal character. But criminal motive in itself injures no one but him in whom it exists. It is distinctly an individual affair, an evil to be reformed by the individual in response to his own choice

and in his own way. Organized society has no function regarding it.

For the reformation of motives, we may teach and preach and admonish; but we must do so as individuals to individuals. We have no right to put men's motives into moral strait-jackets by force. And we could not if we would. The individual mind and the individual conscience are things which cannot be controlled by external force either for good or for evil. The great Architect of the universe, personification of all wisdom and all good, appreciates the importance of intellectual and moral freedom, even if the best and wisest among us will not. He has made it impossible for men by force to regulate the motives of other men.

Criminal motive not embodied in action harmful to others, raises a spiritual question alone. There is no social problem, no question for the penologist, no right in organized society to resort to force, until criminal motive translates itself into criminal conduct.

Nor is this a special plea for the criminal classes. It is simply a recognition of a universal right. Criminal motives are not confined to the criminal classes. They exist in greater or less degree in all classes and in all individuals. The best among us is not wholly free from crime, in so far as motive constitutes crime. For what is criminal motive at bottom but selfish desire? Whoever wishes for what in justice belongs to another, whoever aspires to dominion over others, even "for their own good," whoever prizes privileges for himself above the rights of others—all such harbor criminal motives. And it makes no difference whether their selfish desires are confined within legal limitations or not. A wrong is none the less a wrong for having legal sanction. We

may change its name by law, but we cannot thereby change its character. It is still essentially a crime, and the desire for its advantages is still a criminal motive. In criminal motive, then, the race is at one with itself. Within that realm there are no distinctly criminal classes, for all classes are criminal.

But when criminal motive does translate itself into harmful action, then a criminal class is distinguishable and the power of organized society is challenged.

Social order—not disorder, but order; both the degree of order that now exists and all possibilities of attaining to higher degrees—depends upon social peace. There must be peace that orderliness may develop unto perfection. And peace there cannot be so long as criminal motives generate criminal actions, unless society, with the superior power of general organization, maintains peace by protecting individuals from aggression.

Now there is a universally recognized class with which aggression is habitual. It is the class that includes pickpockets, highwaymen, confidence men, forgers, and incidentally murderers—a predatory class. With that class criminal motive embodied in criminal action constitutes an aggression upon individual rights and consequently an infraction of the social peace. It thereby raises up a plain social duty. The duty of society is clear enough to prevent such depredations as far as possible, and if necessary for that purpose to punish depredators when detected. It is at least clear that men of that kind should be forcibly restrained.

Thus far the most conservative reader will doubtless agree. If he finds any fault it will probably be that this is not severe enough. For the class referred to is what is commonly distinguished as the criminal class,

and that is a class with which your conservative, especially if he is a churchman of the pious variety, has little patience. He may be humane, and have theories about reforming this criminal class. Possibly he may be addicted to the reformatory theory of an enforced hygienic diet. Or he may prefer forcible kindness. If old-fashioned he may have confidence in religious tracts; if new-fashioned he may come out strong on heredity, and favor physical dismemberment or at least prohibition of marriages among criminals. But he is more likely to indulge the conviction that the only reformed criminals are dead criminals.

Over the question of severity in the treatment of the criminal class, it is not necessary here to raise any issue with conservatives. On the contrary, we may go as far as they in demanding that crime be prevented; and as far as they can justify their demands on principles of prevention, in also demanding the punishment of criminals. If it could be demonstrated that the death penalty is a necessary and effective deterrent, and not more injurious to those who inflict than to those who suffer it, even the death penalty for the restraint of criminals might be stubbornly insisted upon. It is of vital importance to society that society repress crime.

But we must not look for criminals in the so-called criminal classes alone. Nor yet among those only whose crimes are denounced by the criminal law. All crimes are not enumerated in the criminal law; neither are the worst crimes enumerated there, for the worst crimes of modern society are legally sanctioned by society itself. And while we may not characterize beneficiaries of these crimes as criminal in any conventional sense, no one can deny that most of them are criminal essentially. For with most of

them—not only among the rich, but also among the comparatively poor—a wrongful motive (desire to appropriate what of right belongs to others) and a wrongful action (use of influence to perpetuate the sanctioning by society of such appropriations) do coincide, and in that coincidence is the perfection of crime.

Those are the criminals who are chiefly responsible for the existence of a so-called criminal class. They set a pernicious example of getting incomes without doing useful work. If such as they may do this with the sanction of a criminal law the sanctions of which they control, why may not persons less advantageously situated do it in defiance of that law? This inquiry may not play a conscious part in the development of the ethics of the disreputable criminal class; but if one of their ethical experts should lay it before a moralist of the respectable criminal class, what plausible answer could he make without begging the question? We must remember, too, in this connection, that conscious influences for evil are never the most potent. It is the unconscious influence of an evil example, the influence that is not recognized and could not be explained if it were, that has possibilities of incalculable harm. Such influences are the familiar phenomena of legalized theft, which manifest themselves in the great unearned fortunes that distinguish the age in which we live.

Nor is it by pernicious example alone that the reputable criminal class produces and fosters the disreputable. It does it also and chiefly by forcing abnormal individual development into a mould of disorderly social development.

What, for illustration, could contribute more effectively to the creation and propagation of a disreputable criminal

class than a law denying to everybody except a few and their assigns the right to live? Since only these few and their favorites, and purchasers from them of life rights, could live without committing legal depredations, a class would inevitably grow up which would prey upon all other classes. Even though they might buy the right to live, and buy it cheap, yet it is conceivable that under the influence of environment—and heredity, if you insist upon it—the members of this predatory class would prefer a precarious but strenuous life of disreputable crime to a reputable existence at the price of legalized blackmail. The old "free traders," who would now be known as "smugglers," were examples of this disposition to become lawless criminals rather than submit to the exactions of lawful criminals.

But it is not necessary to imagine an institution which makes of the natural right to live a legal privilege. The right to live necessitates the right to a place on the earth to live upon, and the right to live the social life necessitates the right to live on the earth at places where social opportunities cluster. To deny the latter right is to deny social life; to deny the former is to deny life altogether. Yet the law denies both. Except to a favored few and their assigns, the right to a place upon the earth is denied. Babies are born by the hundreds of thousands every year, who have no legal right upon this planet. It is true that they may buy a right from babies whose ancestors were successful in the game of grab. But they must buy it by supporting in greater or less degree those other babies with their labor, as both classes grow up. It is true, too, that they may buy some places for very little. But if they would buy where social opportunities cluster they must pay dear.

Some of these places are so rich in social opportunities that even a few square feet could not be bought with all the earnings of a day laborer accumulated since the birth of his Elder Brother. But whether the price be high or low, it is a price for the right to live—for the bare right to live if low; for the right to live the social life if high. In either case it is legalized crime, whereby some of the people are forced either to support others in idleness by reputable labor or to prey as a criminal class upon the community.

While that phase of the problem of dealing with the criminal classes remains unnoticed by criminologists, the possibility that those "scientists" will solve the problem is hopeless.

CHAPTER IV

PUBLIC DEBTS

IF the statistics of all the public debts of this country were available, the amount would be appalling. In this great aggregate the national debt is as a drop in the bucket. In addition to that there are State debts, county debts, city debts, school district debts, and township debts, which make an unbearable aggregate. They are a growing first lien upon the industry and property of the country, and sooner or later, if they keep on growing, there will come a time when they must be repudiated. Now repudiation is associated with the idea of dishonesty, and this raises a question which demands calm consideration.

To identify repudiation absolutely with dishonesty, two wide chasms in thought must be bridged. It must be assumed, in the first place, that government has the moral right to bind future generations by contract; and, in the second, that all contracts are morally inviolable. If the government has not the right to bind future generations by contract, then future generations have the moral right, when they come upon the stage of action, to repudiate ancient government contracts which assume to bind them; and if all contracts are not morally inviolable, then, even though government might morally bind future generations by contract, it could not do so by all kinds of contracts, and illegitimate government contracts might be repudiated without dishonesty. It is incumbent, therefore, upon those who undertake to

argue that the principle of repudiation is dishonest, to prove, first, that government can morally bind future generations by contract; and, second, that repudiation of contracts is necessarily dishonest. But so far from being able to prove both these propositions, they can prove neither.

Government cannot morally bind future generations. To concede its right to do so would contravene the root principle of self-government. This principle that it is the right of every people to govern themselves, has for a corollary the principle that it is the right of every generation to govern itself. In principle, it is as intolerable that dead and gone generations should govern living generations, as that one nation should govern another. In degree it is worse. Government by generations that have passed away is that most oppressive of all tyrannies—the tyranny of "the dead hand."

To no function of government is this observation so pertinent as to taxation. It is by means of taxation that peoples are most effectually enslaved. Whoever controls the purse strings of a nation governs the nation. To a keen appreciation of that truth by the pioneers of English freedom we are indebted for the familiar constitutional principle that revenue bills must originate in the popular branch of the legislature. It was early seen that if the people would govern themselves, they must tax themselves.

And it is the taxing function that is operated when one generation assumes to bind future generations by contract. The right of government to deal with funds in its own hands, funds and other property which belong to it, is not denied. Neither is it denied that government may make contracts to be fully executed,

performed, completed and done with within such reasonable time in the future as to make it clear that they do not constitute evasive attempts to govern future generations. What is denied is that government has the right to give morally binding force to contracts requiring future generations to submit to taxation, either in character or amount, without their own consent. To assume to give force to such contracts is in its essence a legislative, not a contractual act; and it is a clear principle, not only of political philosophy but of jurisprudence, that any exercise of legislative functions is at all times, so far as relates to its future operations, subject to repudiation.

This alone is sufficient to dispose of the notion that repudiation is necessarily dishonest. But even if the point that government cannot contract away the rights of future generations were waived, and it were assumed that government has that right, the second point would still remain: contracts, though authoritatively made, are not necessarily inviolable.

While it is true that repudiation of public contracts may be dishonest, it is not true that it is necessarily so. Whether the repudiation of a contract be dishonest or not, depends not upon the fact of a contract, but upon its character. There are such things as unconscionable contracts; and repudiation of unconscionable contracts is not dishonest; it is rather their enforcement that is dishonest.

We here touch upon a principle which is aptly illustrated in the legal history of private contracts. At one time it was held by the courts that private contracts must be performed according to their terms. A leading case had to do with one of those practical jokes in

geometrical progression with which we still astonish our children. To get his horse shod a farmer had contracted with a blacksmith to pay one barley corn for the first nail, two for the second, four for the third, and so on, each succeeding nail to be paid for with twice as much barley as the one before it. Notwithstanding the enormous amount of barley which the blacksmith claimed under his contract, the court decided, as anti-repudiationists now contend, that a contract is binding no matter how it affects the parties to it, and gave a ruinous judgment against the farmer accordingly. The principle of that decision was followed by the courts for a long time, but at length a more enlightened and honest view prevailed. It was seen that grossly oppressive contracts are unconscionable, and as matter of good morals, as well as sound policy, the courts stopped enforcing them. No one now would think of stigmatizing repudiation of such private contracts as dishonest. The principle applies as well to contracts by government. If they are unconscionable, honesty demands not that they be enforced, but that they be repudiated.

What would constitute an unconscionable public contract must depend, of course, as in the case of private contracts, upon the circumstances—not merely the circumstances in which the contract originates, but also the circumstances in which it operates. Though it be made in good faith, yet if it operate unconscionably it is a fit subject for repudiation.

Without undertaking to enumerate the kinds of public contracts that ought thus in honesty to be repudiated, two may be suggested by way of illustration. Public debts that extend over generation after generation, sucking

taxes in the name of interest from people born long after the principal has been expended for purposes that do not concern them, clearly belong in the category of repudiable public contracts. The second example is franchise privileges. Franchises created by a dead and buried generation, by whose favor and upon whose authority the beneficiaries levy tribute upon people who had no voice in creating the franchises or in fixing their duration, may be repudiated without dishonesty. It is dishonest not to repudiate them.

Repudiation is a sacred right of the people. It is a right which must not be dishonestly exercised, to be sure; but likewise it is a right which must not be dishonestly neglected. Whoever couples this right with breach of public faith, as if the terms were interchangeable, gives aid and comfort to the worst class of enemies the people ever had. So does he who invokes it frivolously. The right of repudiation is a reserved right which the people should learn to respect; and one which, that it may command respect, should never be identified in speech with what is immoral, or be invoked for the redress of trivial or doubtful grievances. As the "queen's arm" of the old frontiersman hung upon its pegs above the hearth, never taken down for wanton attack but always ready and effective for defense, so should the reserved right of repudiation be cherished. It is the old "queen's arm" of a free people who are menaced on all sides by aggressive and merciless legalized monopolies. If it be not cherished, the freedom of posterity will be bargained away, and the nation's destinies will fall under the sway of a "dead hand."

CHAPTER V

TRIAL BY JURY

ONCE upon a time a boy was kidnaped in an American city by unknown men. They blindfolded him, put him in a carriage which they drove many miles now in one direction and now in another to confuse him, imprisoned him in a house subsequently discovered to be in the suburbs of his own city, and finally extorted from his father, a very wealthy man, a large sum of money under anonymous threats of burning out the boy's eyes with acids. After submitting to the extortion and thereby releasing his son, the father offered a rich reward for the conviction of the dastardly criminals.

Stimulated by that reward the police produced a man, let us call him John Doe, whom they charged with the crime. John Doe was identified by the boy as one of his kidnapers—the identification being made, however, by recognition of the prisoner's voice, for the boy had not seen either captor. In due time the case was tried. What influenced the jury in arriving at its verdict no outsider is competent to say. Its members are reported to have suspected detectives of manufacturing a case to get the reward. However that may have been, presumably they weighed all the facts before them and decided conscientiously. At any rate no substantial charge of incapacity or corruption was made against the jury. It returned a verdict of "not guilty."

Now, in accordance with the Anglo-Saxon idea of trial by jury, that verdict made a complete legal deter-

mination of the matter. In the eye of the law the prisoner was innocent; and whether in fact he was innocent or guilty, the judge had no other duty to perform than to order his discharge.

If, in doing that, the judge took occasion to reflect upon the wisdom of the verdict, he offended against judicial decorum quite as much as a juror would have done had he, during the progress of the trial, openly criticised a ruling of the judge upon a question of law. But the judge in this kidnaping case, unmindful of the proprieties of the place and the occasion, forgetting that a judge alone is not the court, but that the jury also is part of it, and that he may by disorderly conduct or language be guilty of contempt none the less because there is no one to punish him when he fails to hold himself in restraint—this judge, officiously and in manifest contempt of court, addressed the following language to the jury, an integral part of the court, which, within its sphere of action, namely, authority to adjudge the facts in the case, was his judicial superior and entitled to his respect:

"If John Doe had made his own choice of a jury he could not have selected twelve men who could have served him more faithfully. If the State had made the selection, I know of no men it could have named who could have been less careful of its interests. The jury is discharged without the compliments of the court, and the prisoner is likewise released, as to this trial, I presume to continue the criminal practice in which you have failed to check him. I do not know what motive actuated you in reaching this decision, but I hope none of you will ever again appear in this jury box."

That insult to the jury was worse than contempt of

court. It was worse than a breach of judicial decorum. It was a crime against democratic government. For it was calculated, by intimidating jurors, to undermine the independence of juries and destroy the integrity of the system of jury trial. And the worst of it all is that this instance is only one among many that indicate a disposition on the part of some judges to reduce trial by jury to an empty form with only a curious historical meaning.

This disposition, or rather, this tendency, for it has really come to that, is so dangerous to individual liberty as to demand some serious elementary consideration of the subject of jury trial.

In their Anglo-Saxon origin juries were composed of witnesses. They testified under oath to the innocence or guilt of the person accused, whom they personally knew and of whose alleged offense they had either personal or hearsay and inferential knowledge. The idea was that a man's guilt should be adjudged by his neighbors, who might be presumed to know all about him. And so by their testimony, formulated into a verdict, they acquitted or convicted.

But in the course of time this idea of the jury was reversed in its formal aspects. Instead of empanelling jurors who know most about a case, we now select those that know least. This is so, at any rate, in cities. In the country juries are still made up of men familiar with the general setting of the cases they try. That difference would naturally exist, because jurors are still drawn from the vicinity, from the neighborhood, and in cities "the neighborhood" may be an unknown country to its own inhabitants, whereas in the country, "neighborhood" still has a meaning. But the theory that jurors should

be familiar with their cases and render verdicts upon their own knowledge of the facts was long ago displaced by the theory now prevailing that juries should decide cases, not upon the basis of their own knowledge, but in accordance with their judgment of the testimony of witnesses who appear before them.

In measuring the value of trial by jury it is customary to glance down the line of this historical evolution and draw conclusions solely from that source. But, like all sociological conclusions resting upon the historical basis alone, these are quite unsatisfactory. Students who adopt them assume too readily that historical evolution is righteous evolution. When, therefore, they observe that the jury has passed from the stage of witnesses to familiar facts, on to the stage of judges of unfamiliar facts, and observe a growing general tendency toward expertism, they incline to the conclusion that in the progress of historical evolution, the jury must, and because it must therefore it ought to, give way to judicial experts.

But this is not the true function of history. As the man who from being a moderate drinker had become a drunkard would be a fool to conclude that he must, and therefore ought to, go on with his historical evolution to delirium tremens and a drunkard's grave, so society would be guilty of the greatest folly to infer that it must, and therefore ought to, keep on in a certain direction merely because that direction is historical. The true function of history is not to confirm us in evil courses; it is to warn us away from them. Though experience (and that is all that history is) be a good teacher, it is not necessarily either a good or an inevitable master. Society is, indeed, an organism. By the action and re-

action of individual minds, from greatest to least, a distinct social force is generated. But this force was not set in motion years ago in one direction irrevocably. It is not fatalistic. The historic impulses are always subject to the influence of present perceptions of moral right and wrong. And these, if rationally applied, may divert or even reverse the course of history, instead of promoting further evolution along the old pathway.

With the question of jury trial, then, the real point is not whether it is historically evolving into a system of trial by judicial experts, but whether the people should allow it to so evolve—that is, whether they should regard trial by experts as right, whether they should regard it as tending to increase or diminish individual liberty.

This making of individual liberty the test of morality, is done advisedly. Who can conceive of any test of moral right and wrong more fundamental than that of the relations of man to man? Immorality as between man and man consists in the imposition of one man's will upon another. Conversely, morality consists in practical recognition of the complete liberty of each, limited only by the equal liberty of all. Assuming this liberty to be the desideratum, what relation to it does the existing system of jury trial bear—the system, that is to say, which makes the jury the judge in criminal cases?

In his treatise on the American Constitution, Judge Story described trial by jury in criminal cases* as "essential to political and civil liberty." Similar quotations from men whose names Americans ought to honor might be made. But the opinion of any man, however wise and good, is after all only an opinion. It is en-

*Book III, Chapter XXXVIII.

titled to no weight as authority. It does not decide. Such opinions, however, are entitled to profound respect and candid consideration. It is by weighing them in an earnest search for essential truth, rather than by surrendering mind and conscience to the demands of historical evolution, that civilization has been promoted.

One of the most thoughtful of these opinions is that of Alexis de Tocqueville, the earliest foreign observer of American institutions. His opinion derives added value from the fact that as a Frenchman his observations of the jury system were uninfluenced by favorable prejudice. He came to a consideration of the subject much as a philosophical historian approaches the consideration of an obsolete institution. Anglo-Saxons might claim too much for this palladium of their liberties. A Frenchman of the early part of the century could regard it with unbiased mind. And that is what De Tocqueville seems to have done.

He considered the jury system only with reference to its political, and not to its judicial, influences, since his general subject was not the judicial but the political aspects of American life. And this makes his observations still more important, for it is as a political institution that the jury system now demands attention in consequence of the tendency of judges to usurp its functions.

De Tocqueville said:*

"To look upon the jury as a mere judicial institution, is to confine our attention to a very narrow view of it; for, however great its influence may be upon the decisions of the law-courts, that influence is very subordinate to the powerful effects which it produces on the destinies

* *"Democracy in America,"* Vol. II, Chapter IV.

of the community at large. The jury is above all a political institution, and it must be regarded in this light in order to be duly appreciated.

"By the jury, I mean a certain number of citizens chosen indiscriminately, and invested with a temporary right of judging. Trial by jury, as applied to the repression of crime, appears to me to introduce an eminently republican element into the government, upon the following grounds:

"The institution of the jury may be aristocratic or democratic, according to the class of society from which the jurors are selected; but it always preserves its republican character, inasmuch as it places the real direction of society in the hands of the governed, or of a portion of the governed, instead of leaving it under the authority of the government. Force is never more than a transient element of success; and after force comes the notion of right. A government which should only be able to crush its enemies upon a field of battle, would very soon be destroyed. The true sanction of political laws is to be found in penal legislation, and if that sanction be wanting, the law will sooner or later lose its cogency. He who punishes infractions of the law, is therefore the real master of society. Now, the institution of the jury raises the people itself, or at least a class of citizens, to the bench of judicial authority. The institution of the jury consequently invests the people, or that class of citizens, with the direction of society.

"In England the jury is returned from the aristocratic portion of the nation; the aristocracy makes the laws, applies the laws, and punishes all infractions of the laws; everything is established upon a consistent footing, and England may with truth be said to constitute an aristo-

cratic republic. In the United States the same system is applied to the whole people. Every American citizen is qualified to be an elector, a juror, and is eligible to office. The system of the jury, as it is understood in America, appears to me to be as direct and as extreme a consequence of the sovereignty of the people as universal suffrage. These institutions are two instruments of equal power, which contribute to the supremacy of the majority. All the sovereigns who have chosen to govern by their own authority, and to direct society instead of obeying its direction, have destroyed or enfeebled the institution of the jury. The monarchs of the House of Tudor sent to prison jurors who refused to convict, and Napoleon caused them to be returned by his agents. . . . The jury is pre-eminently a political institution; it must be regarded as one form of the sovereignty of the people: when that sovereignty is repudiated, it must be rejected; or it must be adapted to the laws by which that sovereignty is established. The jury is that portion of the nation to which the execution of the laws is entrusted, as the Houses of Parliament constitute that part of the nation which makes the laws; and in order that society may be governed with consistency and uniformity, the list of citizens qualified to serve on juries must increase and diminish with the list of electors."

These comments of the great Frenchman might be very much expanded, but nothing could be added to them. The whole argument for the jury system as a political force is there. And it admits of no possible refutation which does not proceed from a denial of the right and wisdom of government by the people.

Those who oppose the system of jury trial would have accused persons tried by judges, by experts in the law, who

are skilled in unraveling tangled evidence. And this is what such conduct as that of the judge quoted above tends to. It is the tendency of all the rebuking of jurymen which certain types of judges indulge in, from the judge who officiously probes the general opinions of jurors at the beginning of the term, and dismisses them, sometimes insolently, if he doesn't like their point of view, to those who, like the judge already quoted, chastise the juries that acquit prisoners whom the judge would have convicted. Whatever may be the purpose, the manifest effect is to intimidate jurors, thereby making them responsive to significant words and shoulder shrugs from the bench, and constituting the judge a thirteenth juror, with the independence, the intelligence and the conscience of the other twelve wrapped in the folds of his silken gown. The tendency of this reprehensible course of action is to reduce the jury system to a barren formality, and for juries drawn from the people to substitute an autocratic bench of experts.

There is about the idea of trial by experts something extremely plausible. It is suggestive of getting a shoemaker to make your shoes, a watchmaker to mend your timepiece, or a farmer to raise your grain. Why not a judge to try your criminals?

But the analogy doesn't hold. Men learned in the law and skillful in twisting and turning through the mazes of legal principles and conflicting testimony are no more expert than laymen at drawing common-sense conclusions. A New York judge who was short of a jury panel, once drew a panel from the bystanders, all lawyers—all experts. This was by common consent, of course, the lawyers acquiescing for the sensation of the thing. But that jury disagreed! Decisions of questions

of fact by judges, even when there is only one judge and consequently no disagreement, are no more satisfactory than verdicts by juries. On the whole they may be said to be less so And as to medical experts, is not the community justly tired of their jarring opinions? The truth is that there is something unbalancing about the minuteness of expert knowledge when brought into common or general relationships.

So far as the judicial function is concerned, no better way of deciding questions of fact has been discovered than that of trial by jury. Under this system the expert is put in his proper place. If a mechanical question is involved, experts inform the jury as to the mechanical technicalities necessary for it to know. If a chemical question, chemists perform that office. So with the whole range of technical knowledge, including the law of the case, about which the jury is advised by the legal experts on the bench. When thus informed and in possession of the facts in the case, the chances are vastly greater that a jury of twelve intelligent men will marshal those facts in a common-sense way and reach a just conclusion than that any of the experts would.

Juries are sometimes corrupt and they sometimes make mistakes. But the innocent prisoner has better guarantees of acquittal at the hands of a jury, than at the hands of a judge expert in the work of "railroading" criminals; and the guilty man has but little better chance of escape. Though juries do make mistakes in deciding questions of fact, it is hardly conceivable that they make as many as it appears from the law reports that judges make in deciding questions of law; and though they be occasionally corrupt, neither are judges always immaculate. There are few lawyers of large experience who will not

concede that as a rule, even when juries seem to be mistaken, they get at substantial justice.

But the judicial function of juries is not the important one. As De Tocqueville says, the jury's function as a judge in particular cases is subordinate to its function as a political institution. In the nature of things in criminal cases, if the jury decides at all, it must decide both fact and law. Legal experts may advise, but the jury must decide. So long, therefore, as the independence of the jury can be preserved, individual liberty cannot be quite destroyed. All other free institutions might go, even the suffrage might be restricted to the very rich or the highly educated, yet, if the penal law were administered by independent juries drawn from the body of the people, the grosser forms of tyranny would still be held in check.

That explains the tendency to minimize the function of juries. With the jury system out of the way or become a mere form, and experts invested with power to punish infractions of the law, our government would go on developing into a government by experts until it had reached the inevitable climax, government by a single expert born to his place and specially educated to his function—the government of a czar.

Whoever will stop this tendency will be a benefactor. Some exceptionally courageous juror may yet volunteer for that duty. If, when a judge in some other case berates the jury after the manner of the judge in the kidnaping case, a member of the jury will rebuke him, that juror will have performed a most valuable public service. It should not be done pertly, nor lightly, nor rashly; but in self-respectful manner, seriously, earnestly, decisively, and with confidence in his rights as a juror

and consciousness of his imperative duty as a citizen of asserting those rights.

Such a protest might call out an apology from the bench, for doubtless many judges offend in this way thoughtlessly, and that apology would not be without beneficial influence. At the worst, the protest could only provoke proceedings for contempt of court, and in those proceedings the juror's contempt in protesting against judicial outrage would be a minor issue in comparison with the judge's contempt in disturbing the course of justice in his court by intimidating jurors.

Unless jurors do assert themselves by insisting upon a due recognition from the bench of their rights and dignity, the process of reducing juries to a place in which they will perfunctorily record the decisions of judges will go on apace; and judges, having usurped the functions of juries, will become the real masters of society.

CHAPTER VI

IMPERIALISM

WHEN Rome passed from republic to empire the name of king had the detested significance in the Roman mind that both king and emperor have now in the American. Frankly to have proposed a king would have been as fatal to Roman imperialism then, as frankly to propose an emperor would be to American imperialism now. To thrice refuse the kingly crown, whether sincerely or not, was the best of Roman politics. Yet the Roman republic was strangled by the Roman empire, and there was no king. The title of "imperator," which the Cæsars adopted, was but a common expression of republican authority, as innocent in Roman thought as "manager" is in American thought.

Nor could any one at that time have told where and when the republic ended and the empire began. The transition was effected by a series of departures from old standards and old ideals, each of which commended itself to superficial observation as being in the interest of the republic. No imperial policy was deliberately proposed. Probably none was dreamed of even by the Roman imperialists themselves. But more or less unconsciously they turned the current of events toward imperialism. We know how the current of a great river in the bottoms may be turned by small cuttings into the bank at a bend. The analogy holds true to Roman history. In times of stress masterful ambitions prevailed in the settlement of temporary issues, until at last an

imperial current had broken through the republican banks at a bend and torn out a channel for itself. There was no conscious setting up of an empire to take the place of the republic, but the empire came.

It is always so. When a people are about to pass from freedom to tyranny, nobody shouts from the housetops: "Hurrah, boys! Let's change our freedom for tyranny!" Probably nobody desires the change, and only a few suspect the tendency. What happens is this: Things that really make for tyranny, but which are supposed to be desirable in themselves, are done regardless of what they may lead on to; and one step following another the time comes when succeeding generations are awakened by sore experience to the fact that the freedom their fathers had is gone. "The greatest changes," says James Bryce, "are often those introduced with the least notion of their consequence, and the most fatal those which encounter least resistance."

The history of republics furnishes a never-failing admonition to us that our republic may pass into empire without exciting alarm by any of those outward indications with which securely established empires advertise their power. The price of liberty is now, as it always has been and always must be, eternal vigilance.

The essential characteristic of empire, in the objectionable sense of the term, is absolutism. Whether or not absolute power be administered benevolently, makes no difference. The evil is in the power itself; not in the nature or manner of its administration. Benevolent absolutism is, indeed, the most fruitful seed of tyranny. Let absolutism begin malignantly, and a people accustomed to freedom recognize it for what it is, and rising up in their might put it down. But let it begin benevolently, and

by the time the people see and feel the tyranny which is as natural to every species of absolutism as poison to a poison vine, they are powerless to resist its aggressions. The little finger of a small standing army is then stronger than the loins of the unorganized masses.

Neither is it important whether absolute power be centered in one man or in several. An empire ruled by an emperor, a Cæsar, a king, a boss, a czar, a sultan, or whatever other title he may adopt, is not more intolerable than one ruled by an oligarchy. The true distinction, the only test distinction, turns not upon the number of despots or their benevolence, but upon the question of self-government or superimposed government. Whatever may be the titles of its administrators, the government that is at all times responsible to the people governed is a free government, while the government that governs without responsibility to the governed is imperial.

What made Rome a terrible empire was, at first, not despotism at home. So far as the heavy hand of tyrannical government concerned him, the Roman citizen was long as free under the empire as under the republic. As between citizens, there was under the empire a strict observance of justice, and for the protection of Roman citizens abroad the whole power of the empire was on call. But there was utter contempt for the rights of other peoples.

Long before she was known as an empire, while republican forms were unaltered and the republican spirit still seemed vital, Rome had set out to be a world power. In this ambition for universal dominion she succeeded; and as her sway extended she established colonies. They were of two sorts, "senatorial" and "imperatorial." The

latter were governed absolutely from Rome, being colonies in which the "inferior" and subjugated peoples would have been dominant but for the armies of the empire that were quartered upon them; and though the former were self-governing to a degree, that was because, through Roman immigration and other influences, they had become submissive to the mistress whose decrees went forth from the banks of the Tiber. Superimposing her imperial government upon all, Rome held no relation of responsibility whatever to the governed in her colonies. From that moment, says Froude,* the days of her own self-government were numbered; and he points this moral for all time: "If there be one lesson," he writes,† "which history clearly teaches, it is this, that free nations cannot govern subject provinces. If they are unable or unwilling to admit their dependencies to share their own constitution, the constitution itself will fall in pieces from mere incompetence for its duties."

England has in modern times followed the ancient Roman example. Like Rome, she protects her citizens abroad with the ferocity of a she-bear defending her litter of cubs. But "inferior" peoples have no rights, as peoples, that she feels bound to respect. Again like Rome, she aspires to rule the world. In this she has been more successful than any other modern nation. Around the globe her drums alone beat a continuous reveille. And in imitation of Rome she has subjugated "inferior" peoples and attached them to her empire as colonies. Where the "inferior" peoples are in the ascendant her colonies are "crown" colonies, which correspond to the "imperatorial" colonies of Rome; but as

* FROUDE'S *"Caesar,"* Ch. XIII.
† FROUDE'S *"Caesar,"* Ch. I.

the superior Anglo-Saxon immigrant secures dominion over the natives, privileges of self-government are extended and the colonies rise to the dignity of what Rome knew as colonies of the "senatorial" class.

Some of these have been granted a certain power of self-government which precludes England from holding them to her empire by arbitrary ties. Their loyalty to the mother country is no longer secured by imperial power emanating from Westminster; it is an imperial sentiment fostered within the colonies themselves—within the nations rather, for in all but name and international recognition the combined Provinces of the Canadian Dominion and the federated States of the Australian Commonwealth are independent units in the category of Anglo-Saxon sovereignties. They are essentially less the colonial dependencies of England than her military allies.

And it might almost be said that our own federal republic is becoming part of this allied group. It is at any rate following England's lead. Once a collection of British colonies, it made a successful struggle for independence, but after more than a century of bitterness toward Great Britain it has latterly been falling into line with her for an epoch of Anglo-Saxon empire.

That is the outward form that American imperialism assumes. With an international "understanding between statesmen," as a distinguished British cabinet minister approvingly phrased it, the American republic has been projected upon the same career of colonial empire that Great Britain copied from Rome. Receding from her traditional policy of government by consent, she is following the British lead and developing systems of colonial government without responsibility to the governed.

Looking backward, we can identify the beginning of this career of colonial imperialism with the American naval victory in Manila Bay. That event generated a dangerous ambition, the first published indication of which was authorized by the close personal friend and political confidant of President McKinley, only a few days after the Manila Bay battle. He said:*

"The President realizes, as we all realize, that the problem presented by the capture of the Philippines is the most important and most serious that confronts the administration and the country. To say what we will do is impossible at this time, but this much has been determined upon. We will take possession of the islands first, and discuss the disposition of them afterwards. Some sentimentalists seem imbued with the idea that we are going to give the islands back to Spain. It seems there is no probability of that. To retain them will, as the English newspapers have pointed out, necessitate a departure from the traditions of our government. Of course such a step is not to be taken hastily. In cursory talk among Republican leaders I find that there seems to be very little opposition, except on the idea that some day our system of Statehood might be extended to these outlying territories. I think nobody has any idea of doing that. When the time comes our policy will be made clear, to the effect that Statehood is to be restricted to the present limits of our nation, and is not to be extended to territory separated from the country, even when it is so close as Cuba. All these details can be settled when the time comes. It seems to me, and must be clear to everybody, that the United States are entering

*Interview with Senator Marcus A. Hanna, published in the Washington correspondence of the Manchester (England) *Guardian* of Wednesday, May 11, 1898.

upon one of the most important crises of their existence."

In the light of subsequent events those words indicate either that imperial plans had already been roughly formulated, or that their author was a remarkable prophet. For this republic, following the example of Rome and Great Britain, has ever since been superimposing government upon "inferior" peoples; ostensibly for their own good, incidentally it may be for ours; but clearly against their will. This is the essence of empire, and its significance has been recognized and welcomed in high scholastic as well as political and commercial quarters. A famous American college professor and author* has coupled the hostile ideas of republic and empire, and declared them harmonious. Had he written in Lincoln's day he would probably have foreseen none of the dangers Lincoln feared from a nation half free and half slave, for he has no fear for a nation half republic and half empire. In fact, he regards imperialism for America as inevitable, and opposition to it as "probably as futile as opposition to the trade wind or the storm." It is not with concern that he says this. He puts it forward as a reason for falling into line. His philosophy, in other words, is simply an elaboration of the fatalistic epigram that "Destiny determines duty." Believing it to be the destiny of our country to become a republic and an empire, he regards it as our duty to promote imperial policies.

This idea that destiny determines duty is not only fatalistic, it is atheistic. That is not to say that those who adopt it are atheists by intention or profession. They may attend church services with the regularity of deacons,

*Franklin H. Giddings, in *"Democracy and Empire."* Macmillan.

or adore pietistic fetishes with the devotion of pagans. They may even be profoundly religious in personal life. But their social philosophy is nevertheless the philosophy of atheism. The hypothesis which makes destiny the standard of duty assumes that precisely such blind forces as wind and storm hold sovereign sway in social life. It entirely ignores the moral forces which are as capable of checking or diverting evil tendencies in society, as intellectual forces are of avoiding the dangers of the storm and making the wind an agency of service instead of destruction.

That there is a tendency to evil in the social world is true. Consequently there may be a tendency to imperialism. But that evil tendencies in society cannot be resisted or diverted by moral agencies and influences is not true. All evil tendencies in society are results of the influence upon it of evil choices made by individuals; and they may be diverted or subdued by the counteracting influence of righteous choices by individuals. It is thus within the power of every one to affect in some degree the trend of social development. According as he decides for or against the right, whenever his community comes to judgment upon a moral issue, so does he help to make its future. These decisions are the determining factors of history.

It is not a "good God, bad devil" world, this in which we live. There is no duality of person or force—good and bad—in eternal conflict. Neither is there a solitary beneficent person or force that instigates evil in order to produce good. This great conflict between good and evil in which we are floundering, is an unavoidable product of the individual faculty of choosing between good and evil—between the moral affirmative and the moral nega-

tive, between moral harmony and moral discord—with which man is endowed, and without which he could not be man. Out of that struggle so produced comes the great social force or tendency in social life which we recognize as evil and personify as the devil. Its development may be readily observed by following in thought the story of a human life.

Men at birth are wholly selfish. They care for nothing but self-gratification. With advancing maturity, this absorbing self-love gives way in greater or less degree to what in appearance if not in fact is love for others. The grown man, unlike the suckling babe or the toddling child, considers in some measure the comfort of his fellows even at the cost of discomfort to himself. He may do so merely because experience has taught him the wisdom, as matter of pure selfishness, of taking others into account; or he may do it because the inspiration of love has touched his heart and opened his understanding to a realization of the beneficent law of moral righteousness, which is so superbly phrased in the golden rule. But whichever may be his motive, selfishness will not be wholly expelled from his nature. In the one case it will not be even modified. Whoever is altruistic merely because experience or observation has taught him that it pays, is essentially as selfish as an Ishmaelite. In the other case, selfishness remains in degree. No man ever becomes so completely at one with justice, so perfectly in harmony with moral law, as to escape a daily battle between his righteous purposes and his selfish inclinations. There are, therefore, innumerable individual decisions against social righteousness.

In consequence of these individual decisions, there is an evil force in the social world. It consists in the spon-

taneous coöperation of individual selfishnesses. This is the force that makes for imperialism in all its forms. It is the force that supports aristocracy, plutocracy, oligarchies, monopolies and boss-ships. It is the force that maintains militarism and monopolies, and every other mode of selfish mastery by man over man. It is the force that once degraded Rome from republic to empire and brought on the Dark Ages, and that threatens now to make history repeat itself with the American republic in the place of the Roman. And this is the force which fatalists regard as inevitable and irresistible.

It is, indeed, inevitable. But it is not irresistible. In so far as individual men, in their social or public relations, choose the right for its own sake, evil social forces are resisted. When those forces prevail, it is because the social conscience is weak. Slavery cannot live a minute in a community where the dominant sentiment is truly vitalized by the spirit of human liberty. Imperialism could not raise its head if public opinion were inspired by the golden rule. Militarism would be an abhorrent spectre if the common conscience held human life sacred. Against devotion to the right because it is right, evil tendencies in society are impotent. And so tremendous is the expansive power of this righteous force that even a little of it accomplishes mighty things. The righteousness of only ten righteous men would have saved Gomorrah from destruction.

In contrast with the fatalistic philosophy of atheism, and its deadly maxim that "destiny determines duty," how infinitely exalted are the Christian standards of justice and their democratic corollaries. Tried by those tests, all imperialistic policies must be put aside.

By every principle of Christian government, it is a

wicked assumption for any nation or any race to claim to have a commission to superimpose its authority upon "inferiors," for the regulation of their domestic affairs. This assumption derives all the plausibility it has from the fact that the self-styled "superior" peoples have superior force, and from nothing else. We are able to superimpose our authority upon "inferior" peoples, not because we are superior in any of the things that go to make men morally better or socially more useful, but solely because we are superior in the manipulation of coercive agencies. We are better than they "because we can lick 'em," as a rough and ready imperialist has put it. Reduced to its last analysis, then, the pretense that superior peoples have the moral right to superimpose their authority upon inferior peoples is a mere euphemism for the brutal proposition that the stronger have the moral right to subjugate the weaker.

That proposition is no truer of peoples than of individuals. If "superior" peoples have the right to govern "inferior" peoples, then it must be that "superior" individuals have the right to govern "inferior" individuals. And in the one case as in the other, the ultimate test of superiority must be superiority of physical power. Imperialists are entitled to full credit for consistency on this point. They do maintain, with more or less caution according to circumstances and their own disposition to be discreet, that the "inferior" members of a community should be governed by the "superior." This is what imperialism logically leads to. We cannot build up a system of imperialism for "inferior" peoples in colonies abroad, without sooner or later allowing our traditions of equal rights to be pulled down at home.

This notion that the "better" classes should govern, will

better have said. This is what leads to imperialism,

not bear the slightest investigation. "Government by the best" has a seductive sound, but there is no substance to the conception. There is no way of picking out the best.

Education is not a test. Some of the best educated men are the most accomplished knaves, and others are the most consummate fools.

Property is no test. All have heard Franklin's story of the man who, having been allowed to vote at one election because he owned a jackass equal in value to the property qualification, but being denied the right at the next election because his "property qualification" had meanwhile died, innocently asked which had really voted the first time, himself or the jackass. This old-time anecdote unmasks the absurdity of property qualifications.

There might be a society, to be sure, in which property qualifications would afford a reasonable test of special fitness to participate in government. If everybody's wealth were the measure of his usefulness—if, that is, he could accumulate only in proportion to what he earned—his wealth would be some sort of index to the degree of his intelligence, sanity, civic loyalty, thrift, and so on. But we have no such society. The amount of a man's wealth to-day is as a rule an index only to his degree of cupidity, and to his shrewdness in playing in a predatory game.

Similar objections apply to every other test. To determine who shall administer government, only two effective ways can be conceived. One is to leave the decision to the governed; the other is to resort to force. "Government by the best," as distinguished from government by the governed, is nothing when examined but a discreetly phrased synonym for government by the strongest. It is the same idea with reference to local government as is

imperialism with reference to colonial government. And to a realization of this idea the American people will surely come if they allow the current of imperialistic tendencies to get beyond their control.

Any discussion of imperialistic tendencies would be incomplete without some reference to the influence in promoting them of the belief that by this means civilization is spread over the world. That the feeling that imperialism, conquest, subjugation, or by whatever term one may choose to distinguish the policy of government of "inferior" by "superior" peoples, does extend civilization contributes largely to its acceptance, we may be well assured. Nor need we doubt that in this feeling there is the germ of a true concept of progress. Then why oppose imperialism? Why not encourage the extension of superior civilization, even by means of conquest and slaughter?

If for no other reason, for the simple one that all the possible benefits of imperialism in this and every other respect can be secured in greater degree without it. The great promoter of true civilization is not military conquest, nor conquest of any other kind by means of force. The great promoter of civilization is trade. Not the trade that is said to follow the flag. Not the trade that consists in exporting without importing. Not any kind of strangulated trade. But free trade.

Left to itself, in obedience to a natural law as obvious and persistent as it is beneficent, trade penetrates from every center into every nook and corner and cranny of the inhabited globe. As it extends, it carries with it a knowledge of the best customs and the best ideals, as well as the best goods, that the world has to offer the world. And with knowledge of what is best, comes vol-

untary selection of the best. Thus the best in all things conquers peacefully, when trade is free to stimulate peaceful intercourse and exchange.

But this natural and peaceful and serviceable conquest of inferiors by superiors is artfully checked. With deceptive phrases about protecting trade, trade is obstructed. Nor are the "inferior" peoples the great sinners in this particular. They always give the warmest welcome to foreigners until they find that foreigners are bent upon plunder. China, for instance, did not shut herself in commercially for commercial reasons. It was because the civilized barbarian began to lord it over her. We must turn for the worst attacks upon freedom of trade, to the statutes of civilized countries, including our own. The extent to which the spread of civilization is prevented by the deliberate policies for checking trade, can only be conjectured. But it is certain that if conquest, subjugation, imperialism, contribute at all to the spread of civilization, they do so only in so far as they break down the barriers to trade that our barbarous protection policies set up.

Let us drop our policy of obstructing trade, let us make bargaining as free as breathing, let us hold out this policy as an example of civilized ideals—let us do these things, and long before imperialism could slaughter enough crown colony natives to make the survivors tractable, peaceful trade would carry what is best in our civilization to the uttermost parts of the earth; and, what might prove to be of more moment, would bring to us what is best in civilizations that we in our ignorant pride hold in contempt as "inferior."

By this means, too, we should make alliances for peace instead of alliances for war.

There have been dreams of annexing Canada to the United States. But Canada could be more firmly annexed by free trade than by political bonds. It is not the political federation of our States that benefits them as units in the American Union; it is the free trade which that Union maintains between them. Abolish our domestic trade freedom, and there would be chaos here though the political union were preserved. Abolish the political union but preserve the trade freedom, and we should hardly be conscious of the change. Free trade between the States is the real substance of the American Union. This is the alliance that makes the States one.

It is the kind of alliance that would unite us to Canada, to Australia, to New Zealand, to Great Britain, to Asia, to Africa, to all the civilized and all the uncivilized peoples of the world, in bonds of perpetual friendship and mutual service. It would not require political annexation. It would not require subjugation. It would not require even treaties. Nothing is necessary but to abolish the trade barriers which we ourselves have erected and maintain. If we abolished ours, other nations could not long maintain theirs.

It is highly significant that this normal method of extending civilization, this Christian kind of alliance, finds no favor with imperialists. The more ardent they are for extending trade at the point of the sword, the more determined are they to obstruct trade by protection statutes. Though they are solicitous for military alliances, they are fearful of trade friendships. When we were pleading in this country for free trade and friendship with England, they urged us to hate the English. But when England offered us a barbaric imperial alliance for the subjugation of "inferior" races, these same false guides

were enthusiastic in their praises of the masterful character and the glorious future of Anglo-Saxon dominion. And to give moral color to the infamy, they discoursed upon the duty of loving England and joining with her in "extending civilization."

If it is civilization that we wish to spread, if the progress of the world is our object, we have only to become universal free traders instead of imperialistic free booters. Here is the choice. Free trade, with the olive branch of peace and the horn of general plenty; or imperialism, with the destructive implements and the demoralizing influences of war.

Which shall it be?

PART VII

PATRIOTISM

Patriotism having become one of our topics, Johnson suddenly uttered in a strong, determined tone, an apothegm at which many will start: "Patriotism is the last refuge of a scoundrel." But let it be considered that he did not mean a real and genuine love of our country, but that pretended patriotism which so many, in all ages and countries, have made a cloak for self-interest.

—Boswell's *"Johnson."*

Our country is the world—our countrymen are all mankind.

—William Lloyd Garrison.

Would we tread in the paths of tyranny,
  Nor reckon the tyrant's cost?
Who taketh another's liberty,
  His freedom is also lost.
Would we win as the strong have ever won?
  Make ready to pay the debt.
For the God who reigned over Babylon
  Is the God who is reigning yet.

The laws of right are eternal laws,
  The judgments of truth are true.
My greed-blind masters, I bid you pause
  And look on the work you do.
You bind with shackles your fellow man;
  Your hands with his blood are wet.
And the God who reigned over Babylon
  Is the God who is reigning yet.

—J. A. Edgerton, in *"Democratic Magazine."*

Though your word shall run with power, and your arm reach
over seas,
Yet the questing bolt shall find you if you keep not faith with
these;
Lest you be at one with Egypt, lest you lie as Rome lies now
In the potter's field of empires, mint and cumin, keep the vow.
Keep the truth your fathers made,
Lest your children grow afraid,
Lest you hear the captives' mothers weeping sore—
There is little worth beside—
They are dead because they lied,
And the young men's feet are at the door.

—Mary Austin, in *"Land of Sunshine,"* for February, 1900.

Toll for the death of Empire! Through the gloom,
Deep and vibrating, speaks the solemn bell
The last dread warning of the coming doom:
His body to the dust; his deeds to hell!

Toll for the death of Empire! Lift the head;
Take off the crown of tyranny and fear;
And let no man do honor at the bier.
Ring for the reign of Freedom.
Empire's dead!

—Bertrand Shadwell, in *The Public,* for March 29, 1902.

CHAPTER I

WHAT IS PATRIOTISM?

TO say that patriotism is love of country begs the question, for love of country must itself be explained. It cannot mean love of a country's soil, of its trees and hills and rocks and rills. If that were its meaning a large proportion of the inhabitants of every nation would be without love of country, for most of them have none to love. Not a rood of old mother earth belongs to them, nor can they use any of it without paying toll to some more fortunate patriot. Love of country, to be truly such, must be nothing less than love of one's neighbors within a nation's boundaries.

But love of neighbors means more than a sentimental affection for what one may call his own—as his wife, his family, his friends, his house, his horse, his cattle. Love of one's neighbors within the boundaries of his nation—love, that is, of one's countrymen—if it be love of them in very truth, must consist in devotion to those ideals and institutions of the country which guarantee equal rights to all its inhabitants.

If that be patriotism, however, then is there a larger patriotism, a patriotism which embraces the world and is the political expression of the golden rule. In the purview of this larger patriotism it is treason to make war save for the preservation of natural rights. It is treason as well as criminal aggression to pursue a policy of forcible annexation. For he who truly loves his neighbors within his own country, who loves them to the extent of

cherishing their rights equally with his own, cannot draw the line at his own country. He must abhor any invasion by his countrymen of the country of others, which he would repel if his own were the country invaded.

This larger patriotism is the antithesis of that spirit of imperialism which, appealing to spurious patriotism, condemns all opposition as treason. Imperialism would subjugate "inferior" peoples on pretense of elevating them; the larger patriotism would encourage all peoples to elevate themselves. Imperialism is the national pharisee, who thanks God that he is better than other men. The larger patriotism is the national apostle, spreading by practice as well as precept the civilizing principle of Him who rebuked the Pharisee, and taught men that principle of love which is justice and that rule of righteousness which directs each to do to others as he would have others do to him.

The sentiment which expresses itself in the maxim, "My country, right or wrong," is spurious patriotism. It is nothing but selflove somewhat diluted. Note the logical gradations: "My country, right or wrong; my State, right or wrong; my county, right or wrong; my town or city, right or wrong; my ward, right or wrong; my voting precinct, right or wrong; my family, right or wrong; myself, right or wrong. Me!"

This sentiment has been for nearly a century a favorite with the ambitious who mask their selfish purposes behind pretenses of patriotism. It originated quite innocently with an American naval commander, Commodore Decatur. Upon returning from his historic expedition to the Mediterranean, he was everywhere the recipient of public honors; and among the banquets tendered him was one at Norfolk, the home city of his wife,

which came off in April, 1816. When, in accordance with the custom of the time, he was called upon for a toast on that occasion, Decatur responded with this sentiment: "Our country! In her intercourse with foreign nations, may she always be in the right; but our country, right or wrong."

Considering its source, the sentiment was a good one. For Decatur spoke as a naval officer pledged to obey; not as a citizen invested with a right and charged with a duty to decide. It was as if he had exclaimed: "I hope my country in her foreign quarrels will always be in the right; but be she right or be she wrong, I as an officer of her navy have no choice but to execute her commands."

If a serious-minded constable were to say: "I hope I may never be required to execute an unjust warrant; but just or unjust I shall execute it," he would express with reference to one grade of public service precisely what Decatur expressed, and doubtless intended to express, with reference to another. Decatur could not have meant that as a citizen he would vote either to make or to prosecute a war that he knew to be unrighteous. Such a sentiment would have implied that he had the instincts of a buccaneer; and this is negatived by the other words of his toast, in which he prayed that in her intercourse with foreign nations his country might always be in the right. Clearly he could have meant no more than that as a military servant of his country he would obey the lawfully expressed commands of her people.

But the occasion of Decatur's utterance was what would now be recognized as a jingo banquet. Wine flowed and glory glistered. Here was one of the toasts: "The Mediterranean! The sea not more of Greek and Roman than of American glory." This was another:

"The Crescent! Our stars have dimmed its lustre." And here was a third: "National Glory! A gem above all price, and worthy of every hazard to sustain its splendor."

It would not be remarkable if in those circumstances and to that glory-intoxicated party of banqueters, Decatur's conception of his duty as a naval officer seemed like a revelation of one of the duties of American citizenship. Such at any rate must have been their understanding of it, for they gave that coloring to his words. And so, for nearly a century, Decatur's fair fame has been tarnished by this low notion, attributed to him, of an American citizen's duty. Ever since his famous toast, no matter how mean or wicked the stand the agents of their country have taken, voters have been adjured in the name of patriotism and even of religion, not only by party politicians but also by so-called preachers of righteousness, to vote for their country's side of every controversy, be it right or wrong.

The voter who follows this advice turns away from the highest duty that an American citizen can be called upon to discharge—the duty of keeping his country, as far as his influence and vote may go, in the path of righteousness. For in America, in theory at least, the voters are king. Officials are only their servants.

What should we think of an absolute king, who after his ministers had without his authority adopted an unrighteous policy, should confirm that policy—knowing it to be unrighteous and opposing it in his heart because it was unrighteous, but confirming it upon the plea that he must sustain his country, right or wrong? What should we think of the king's chaplain if he advised the king to confirm that policy, arguing that the king must stand by his country, right or wrong? Yet American citizens, Amer-

ican voters, are advised to imitate the absolute king we have imagined, whenever they are urged to use their influence and vote in support of their country's policy, right or wrong.

It is one thing to advise a constable to execute a warrant, just or unjust; he is an agent whose business it is to obey agents that are placed above him. As constable he has no other responsibility. So it is one thing to advise a military or naval officer to fight when his superiors order him to, be the cause right or wrong; he, like the constable, is an agent whose business it is to obey agents above him. As military or naval officer he has no other responsibility. But it is a very different thing to advise citizens to vote for their country's cause, be that cause right or wrong. The responsibility of the voter cannot be so lightly evaded. There is no one to shift it to. Voters are charged with the duty of seeing to it that their country's cause is never wrong. And for this purpose they, and not their agents or officers, are the court of final appeal.

Even at its best, loyalty to country, as distinguished from loyalty to right, is a despicable sentiment. It is often ludicrously so. An instance may be found in a letter from Madagascar, once published in the London *Spectator*. The letter-writer was all unconscious of any satire upon loyalty. He had nothing in mind but the ignorance of the French soldier he quoted. This soldier, a corporal to whom loyalty was evidently the first law of love, had told the letter-writer quite innocently that he "thought it disloyal and altogether wrong in Christ, when he had been born a Jew, to turn Christian."

But what is called loyalty to country means something even lower than the words imply. Boiled down to its

dregs, this loyalist doctrine, "Our country, right or wrong"—not as Decatur meant it, but as it is commonly understood—is not loyalty to country at all; it is loyalty to office holders.

Now it is not to be denied that there is virtue in a certain loyalty to office holders. But this virtuous loyalty is analogous to that which is due from clients to lawyers. When you have decided that you have just cause for litigation, you must loyally trust your lawyer to manage the technical details. But you cannot escape moral responsibility for making unjust claims and bracing them up with perjured testimony, on any such plea as that a client must be loyal to his lawyer right or wrong. The legal technicalities of your case are one thing; as to them you must trust your lawyer, be he right or wrong. The essential justice of your cause is another thing; as to that you must instruct your lawyer, and instruct him right.

So with the relation of voters to office-holders. As to methods, voters should be loyal to all office holders who are not reasonably suspected of infidelity to their trust. But as to ultimate objects, especially if they involve issues of right and wrong, it is not only the right but the duty of voters to command. The loyalty to an office-holder which supports his policy right or wrong, so far from being patriotism is moral treason.

This is the species of loyalty, however, with which the world is most familiar. It is from it that the impious doctrine of "divine right" draws all its strength. In our own country, at the very beginning, the tories—or "loyalists," as they called themselves—were loyal only to the king. It was their constant cry that the king must be supported, right or wrong. Three-fourths of a century

later, the same sort of loyalty manifested itself in connection with the Mexican war, and James Russell Lowell caught it up and laughed at it in these well-remembered verses:

> The side of our country must ollers be took,
> An' Presidunt Polk, you know, *he* is our country.
> An' the angel thet writes all our sins in a book
> Puts the *debit* to him, an' to us the *per contry;*
> An' John P.
> Robinson he
> Sez this is his view o' the thing to a T.

In later times we have heard with the old persistency the same old plea to the voters of the nation to be loyal to the country, right or wrong. And when we have probed the matter—nor has much probing been necessary—we have found that we were being urged to be loyal not to the country, right or wrong, but to some of President Polk's successors, right or wrong.

Spurious patriotism is most dangerous, however, when the object of its adoration is the country's flag. There are patriotic pagans as there are religious pagans. The religious pagan banishes God from his religion and substitutes ugly idols. The patriotic pagan banishes principle from his patriotism and substitutes brilliant bunting.

This tendency to represent principles by symbols began with the race, and will doubtless persist while the race lasts. It is not only natural, it is also useful. Realities which might otherwise be to mortal knowledge mere abstractions, are thereby made visible and tangible.

Symbolism, however, is not the truest mode of giving material form to abstract principles. That is supplied by nature herself. All that we see or feel in nature—sunshine, air, water, trees, animals; all that art applied to

nature produces for the further or better gratification of our desires—clothing, houses, food, machinery, books, pictures, statuary; all that we do in satisfaction of natural impulses—eating, working, playing, sleeping, bathing—are material expressions of principles; of principles that we may call moral, mental, abstract or spiritual, as suits us best. What we call them is of little moment. The vital thing is that they themselves are eternal verities.

They are verities, too, that project themselves into the realm of matter in the material forms to which we have referred. Without them, these forms could no more exist than could reflections in the mirror without objects to be reflected. No mere accidental analogies are these forms. They express or manifest different phases of eternal truth, much as fruit expresses or manifests the vital forces of the tree that bears it. And as the invisible and intangible forces of the tree become manifest and distinguishable to us in its fruit, so does invisible and intangible truth become manifest, distinguishable, apprehensible, in the phenomena of material nature which it projects. It is because these phenomena are expressions of principles, because they correspond naturally and necessarily with the respective truths they interpret, that they offer the truest mode of making abstract principles visible and tangible.

Nevertheless, artificial and arbitrary symbolism does serve a great purpose in likewise giving material expression to abstract principles. The spiritual significance of natural phenomena is not obvious to all. There is a logical philosophy there which requires maturity of mind as well as openness of heart for its appreciation; and when that is lacking, arbitrary symbolism may become a substitute for natural phenomena as an interpreter of what lies

beyond. Arbitrary symbolism may, therefore, and in fact it does, serve the useful purpose of stimulating many minds to a recognition of the reality of abstract truth. It is thus in some sort a primer of spiritual knowledge.

The fraternity of Free Masons offers examples of the inculcation of moral principles by means of arbitrary symbolism. Between immortality and the sprig of acacia, between uprightness of human conduct and the mason's plumb, between morality and the mason's square, between the principle of human equality and the mason's level, there is no natural relation. The one does not produce the other. This is arbitrary symbolism and nothing else. Yet by means of such symbols, principles that might otherwise seem to be without form and void, are taught, perceived and felt.

Similarly with religious worship, though in a broader spiritual field. To inculcate principles, arbitrary symbols are adopted. Images, called idols, have been set up to represent deity, the Unknown being thereby brought as it were within the range of human vision and the possibilities of human touch. Thus God becomes real to the simplest apprehension. In like manner forms and ceremonies are established that vital principles may become similarly visible and tangible. Worshipers kneel in token of spiritual humility. They hold a cross aloft to symbolize spiritual redemption. They join in the sacrament of the Lord's supper—that symbol of participation in spiritual good things, which is typified naturally by natural eating and drinking. They adopt the symbol of baptism in token of that cleansing of the spirit by divine truth which is naturally represented by bathing with water for the cleansing of the body. Church worship, even the simplest in form, is replete with arbitrary symbolism.

And so is it in the sphere of patriotism, where the great symbol is the flag. A mere piece of colored bunting, a nation's flag is nevertheless the visible and tangible representation of national ideals. It is national principles, national traditions, national honor, national aspirations, materialized. What religious rites are to the true worshiper, such is the flag to the true patriot. It is the symbol to his eye of political principles that appeal to his understanding and enchain his affections.

Rational uses of symbolism need no defense. So long as the symbol retains its proper place as a symbol, its usefulness as an implement of religious, moral and patriotic thought and instruction will hardly be disputed. While the Free Mason finds in the level a crude representation of God's law of equality, which he adopts as his own, he is worshiping God. So with the savage who is reminded by the rude idol before which he bows, of an Intelligence and Beneficence that he cannot comprehend and cannot otherwise even concentrate his thoughts upon. He is a worshiper as truly as if he were intelligent enough to dispense with symbols. It is the same with Christian churchmen. Their worship, however formal, however conventional, however symbolic in its ceremonies, is true worship so long as the forms and ceremonies and symbols are to them but convenient representations of spiritual truths that can be realized in the material world only by means of natural correspondences—of natural symbols. In a similar category, if not the same, is the patriot who reveres the flag of his country because it symbolizes what to him is sacred in the principles for which the government of his country stands.

But, when the symbol takes the place of the principle symbolized, when principles are ignored and their symbols

are revered for themselves alone, then symbols become the detestable objects of mere fetish worship. What the savage is who makes his idol his god, precisely that is the Free Mason who prates about the square and the level regardless of moral obligations and the principle of equal rights; precisely that is the churchman who clings to forms and ceremonies regardless of the spiritual principles they are designed to symbolize; precisely that is the man who cheers the flag of his country regardless of the cause in which it waves. They are fetish worshipers all.

And the worst of fetish worship is not merely that it is personally degrading. The worst of it is that it enables designing men to marshal fetish-worshiping people against the very truths their fetish originally symbolized. Thus hypocrites in the church have been able to turn temples of God into dens of thieves amid the hosannas of the faithful; and traitors to the commonwealth have won applause while digging up its foundations and pulling down its ideals. The fetish of a fetish-worshiping people once secured, all the power of its superstitious worshipers is secured also.

Popular liberties never have been and never will be destroyed by the power of usurpers. They are destroyed by the free consent of the people themselves. When a free people turn from the principles of liberty to worship its lifeless symbols, they are in condition to become easy dupes of the first bold leader who has the shrewdness to conjure them with those symbols. No free people can lose their liberties while they are jealous of liberty. But the liberties of the freest people are in danger when they set up symbols of liberty as fetishes, worshiping the symbol instead of the principle it represents.

This, then, is the difference between true patriotism and spurious patriotism. Whereas the spurious patriot worships the flag of his country and is loyal to her officials right or wrong, the true patriot honors his country's flag as the symbol of her ideals, and regards her officials as servants who are entitled to loyalty and respect always when they are right but never when they are wrong. The soldier may fight for country, though his country be wrong, yet be a patriot; but the citizen who votes to put his country in the wrong or keep it there, is a traitor.

The highest and purest patriotism was expressed by Lowell when he wrote:

> I loved my country so as only they
> Who love a mother fit to die for may.
> I loved her old renown, her stainless fame;—
> What better proof than that I loathed her shame?

CHAPTER II

PATRIOTIC IDEALS

THE American flag symbolizes a great political principle, a great moral principle, a great religious principle. It is the symbol of noble ideals, toward the realization of which we have been growing for a century and more, and which are summed up comprehensively in the first clause of the Declaration of Independence in these memorable words:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty and the pursuit of happiness."

As explained in a previous chapter, this does not mean that men are created equally tall, or muscular, or moral, or intellectual, or civilized. That interpretation of the words is either childish or malevolent. What is meant is that however men may differ in height, in muscular strength, in intellectual vigor, or in other physicial or mental endowments, they are created with equal rights. To deny that they are so created, is to deny the Fatherhood of God; for if God be the Father of all men, then all men are brothers.

But rights have correlative duties. Consequently, the assertion that men have equal rights, implies that they owe duties to correspond. It is in fact the equivalent of the assertion that each owes a duty to respect equality of rights in all. The same principle is expressed by the golden rule: "All things whatsoever ye would that men

should do to you, do ye even so to them." There could be no more unequivocal statement of the principle.

This principle is of universal application. It admits of no exceptions. White men and black, male and female, rich and poor, ignorant and educated, civilized and uncivilized, whatever be their religion or their race, all have equal rights which each is in duty bound to respect. No man in his relations with other men, can have greater natural rights or owe lesser duties, than the lowliest. Has not God, the giver of all rights and the arbiter of all duties, declared that He is no respecter of persons?

First among the great fundamental rights with which all are equally endowed and which each is bound to respect, is the right to life. Men may forfeit it by conduct prejudicial to the life of others; but except as so forfeited, the right to life is equal.

So of the right to liberty. This, too, may be forfeited; but except as forfeited by conduct prejudicial to life or liberty, the right to liberty is equal.

So also all are equally endowed with the right to pursue happiness, a right of which, like the others, no one can justly be divested except for conduct in violation of his duty to respect the equal right of all.

To these rights—life, liberty and the pursuit of happiness—there is no other limitation in natural justice than the corresponding duty so to respect them as to secure and maintain their equality.

Supplementary to the fundamental proposition of the Declaration of Independence, that immortal charter of liberty further asserts that the inalienable rights of mankind already named are secured by governments "deriving their just powers from the consent of the governed." This clause is supplementary because it only elaborates

the first clause, which embodies the whole principle. And the proposition that "all men are created equal"—with equal rights—includes not only the right to "life, liberty and the pursuit of happiness," not only the principle that governments derive their "just powers from the consent of the governed," but also that right by means of which alone the governed can peaceably give their consent to the government—the right to the ballot.

Upon the foregoing principles all democratic government is founded. The government that does not rest upon them is not only not democratic, but is not a just government at all. It is but a species of arbitrary force. Such government, by whatever fine names it may describe itself to indicate that it maintains stability and preserves order, is in truth but organized lawlessness.

And acceptance of these principles must be more than verbal. Fully accepted, they preclude the recognition by government of chattel slavery. No man can own another without violating his duty to respect the equal right of all to liberty; and no government can enforce such ownership without renouncing one of its primary functions, that of securing liberty to all. Nor is condemnation of chattel slavery enough. There are other modes, more subtle but not less oppressive, of denying equality of rights. Chief among these is land monopoly. Where that flourishes equal rights to life, liberty and the pursuit of happiness, are inevitably overthrown.

Since in justice those rights are equal, there must in justice be equal rights to land. Without land man cannot sustain life. It is to him as water to the fish or air to the bird—his natural environment. And if to get land whereby to support life, any man is compelled to give his labor or the products of his labor to another,

to that extent his liberty is denied him and his right to pursue happiness is obstructed. Enforced toil without pay is the essence of slavery, and permission to use land can be no pay for toil; he who gives it parts with nothing that any man ever earned, and he who gets it acquires nothing that nature would not freely offer him but for the interference of land monopolists. It is the duty of government, then, to secure to all equal rights to land.

That the laws and institutions of the United States have not always been and are not now completely consistent with these ideals, is true.

When the ideals were proclaimed, the African slave trade was a recognized occupation; and it continued for more than thirty years under the sanction of our fundamental law. Slavery itself was protected by our fundamental law for three-quarters of a century. Here were plain denials of liberty.

In many States the right of men to vote unless they had property was long legally denied; while in all the States the right of women to vote was denied until recently, and in most it is still denied. Here we find another bald inconsistency. Equality of rights under the law implies, and government only by consent of the governed virtually specifies, the ballot as a right. To deny the ballot to any person is to deny him the power of even protesting against the manner in which he is governed. The right of consultation is inseparable from the right of self-government; and no right of consultation can be enjoyed by a ballotless man. Even the lives of members of a ballotless class are dependent upon the good will of their political superiors.

These violations of the right to life, liberty and self-

government were indeed inconsistent with American ideals. But they were not denials of those ideals. The inconsistencies were in vogue when the ideals were proclaimed. The ideals have survived; most of the inconsistencies have been repudiated.

The slave trade was taken out of the category of legitimate occupations and denounced as piracy. Slavery was abolished, its re-establishment forbidden, and the former slave armed with the ballot. The ballot has been extended in most of the States to all men and in some to all women. The history of slavery and of ballot restriction therefore go to prove, not deliberate disloyalty to our national ideals, but advances toward them.

Equal rights, then, before the law; equal rights to life and liberty and the pursuit of happiness; equal citizenship, with no "subjects," wherever the flag floats and its authority is asserted; and no toleration of governmental powers not derived from the consent of the governed—these are the American ideals; these are the basis of American patriotism; these are the principles our flag symbolizes.

CHAPTER III

TRAMPLING UPON PATRIOTIC IDEALS

THERE come times in the history of nations when events compel them to bring their actions to the test of first principles. At such times the truly patriotic citizen is forced into a searching and momentous comparison of national ideals with immediate national purposes and policies. Upon the decisions at these crises measurably depends the fate of the nation—whether it shall rise farther toward its ideals, or sink away from them. Nor can the decisions be evaded. For better or worse, for good or evil, for growth or decay, for advance or retreat, in harmony with national ideals or in defiance of them, the decisions must be made.

Similar critical moments come also in the lives of individuals. There are times when they, too, brought face to face with some conflict between their momentary desires and their moral ideals, are forced to choose. These are the best periods of a good man's life. Well may such a one exclaim: "Thank God for sin!" Resisting temptation, he comes out of the struggle better and stronger. He is then nearer to his ideals, though not abreast of them.

No man is as good as his ideals, if he has ideals. Still, it is not to be inferred that all men are hypocrites. Given moral ideals, a man is to be judged not by the closeness with which he commonly lives up to them, but by the willingness with which he makes them his standard in times of temptation. If he then squares his pur-

pose with his ideals, he grows toward his ideals; if he modifies his ideals to suit his purpose, he grows away from them.

To illustrate, let us imagine a born thief, who comes to accept as one of his moral ideals the eighth commandment. He now believes it wrong to steal, he tries not to steal, and on the whole he virtuously refrains from stealing. But now and again he awakes to a realization of the fact that acts which he had not before understood to be larcenous are larcenous. His decisions when tempted to repeat these acts will determine whether he is growing toward his ideal or away from it—whether he is becoming less of a thief or more of one. If, holding to the ideal, he struggles against the temptation, then he gains in moral strength and invites further moral enlightenment. But if, giving way to the temptation, he modifies his ideal—calls the eighth commandment a glittering generality, construes it in the light of the larcenous precedents he himself has made, and interprets out of it its moral force—then it were better for him never to have had an ideal.

As with an individual in this respect, so with a nation. When events bring its purposes into open collision with its moral ideals, and the necessity is admitted of altering the one or modifying the other, the decision of that nation determines the direction in which it is going. If it decides for its ideals, it is advancing; if it decides against them, it is receding.

Whether the nation has always been true to its moral ideals, is at such a time of minor importance. Whether it is even now true to them in many of its customs is, in connection with the crisis before it, of no importance at all. The vital question that confronts it is, Whether

the new policy it is urged to adopt, the new customs it is asked to establish, the new national habits it is advised to form, are in harmony with its ideals. If they are not, then their adoption would be not merely inconsistent; it would be equivalent to a deliberate repudiation.

To illustrate with a recent great temptation of our own country: We have been passing through an experience in which we are obliged repeatedly to ask ourselves as a nation, not whether we shall struggle to throw off some ancient custom which is inconsistent with our ideals, not whether we shall make a further advance toward our ideals; but whether we shall adopt a new policy which denies, and is on all hands admitted to deny, those ideals flatly and affirmatively, positively and aggressively. We are asking ourselves whether we shall flout our ideals, and shall consciously and deliberately recede from them.

To make conquests and establish over the people we conquer a government which they do not voluntarily accept, and in the management of which they are to have no voice, a government that is under no constitutional obligations to protect their lives and liberties, but which according to those who advocate it could dispose of all their rights in its discretion, would be to deny the fundamental right of self-government in a new relationship. Thus we should not merely remain inconsistent with our ideals; we should be turning our backs upon them. This is perfectly well understood by the advocates of imperial colonialism, and they brazenly urge us to turn our backs upon those ideals, arguing that the ideals are illusory.

Their arguments for this new departure are most plausible, perhaps, when directed against the ballot as an inherent right. Men of common sense are not misled very readily by the pettifogger's plea of precedent. To them

it is no argument against the right of all to the ballot, that in practice the ballot has been extensively withheld. As well argue against the right to life and to liberty because those rights have been withheld. That we have not realized our ideals is easily seen to be no sane reason for abandoning them. Because only some classes have in fact been allowed to vote, is clearly a weak excuse for denying the soundness of the American ideal that all are entitled to vote. To allow precedents thus to overrule principles, would be to make fetishes of precedents; or to use them as bushels to put candles under, instead of lights to illumine the pathway.

But regardless of precedent, there are apparently inherent objections to the universal suffrage which is necessarily involved in the idea of self-government and is therefore negatived as a right by the policy of colonialism. Some of these objections have been considered in other connections in previous chapters, but they recur. It is asked: Who shall vote? What shall determine a man's right to vote? What about children, idiots, lunatics, convicts, Indians, Negroes? Children are too young; idiots and lunatics are incapables; convicts are social enemies; Indians are savages; Negroes, if permitted in the South to "express their wish through the ballot and to have it counted," to quote one objector, "would ruin the country." Are all these entitled to vote? If not, they are governed without their consent, and then what becomes of the American ideal? Such is the drift of the questions.

With children there is a debatable line. No one can say exactly when they mature. Each individual differs. But every normal person does mature at some time between his first day in the world and his thirtieth

year; and if the voting age be fixed reasonably, none but a logic-chopper could persistently object that deprivation of the voting right prior to that age is essentially inconsistent with our national ideals.

As to idiots and lunatics, they are in abnormal states. Disease makes them incapable of performing any social function; and as consultation regarding government is a social function, it is their disease and not a legal discrimination as to social rights, that really excludes them from voting. Idiots and lunatics, like children during immaturity, are naturally—not through legal discrimination, but naturally—under guardianship. So long as their social rights are secured them upon their emerging naturally from that state, their equality of rights is not denied.

Convicts fall into a different class. By preying upon society they forfeit social rights. To outlaw a man for his crime, is not to deprive him of equal rights under the law. It is punishing him for depriving others of those rights.

As to Indians, if we regard them as savages, it will hardly be claimed that resistance to their aggressions amounts to governing them. A people may certainly defend themselves against savages without being seriously charged with attempting to govern without the consent of the governed. But the truth is that the Indian question was made by "civilized" whites, and not by "savage" Indians. Our race has wantonly insisted upon governing the Indian without his consent. And in so far as we have done this, what success have we had? Would either he or we be worse off if we had invested him with the suffrage, or left him alone to govern himself?

And then the Negro. We are told that if he had his

ballot counted in the South he would ruin the country. What is meant by the country? White men, of course. Whether he would really ruin the white men of the South if he voted upon an equality with them, no one has any means of knowing. The experiment has not been fairly tried. But we do know as matter of history that the white men of the South, with all power in their hands, ruined the Negro—kept him a slave, which is about as near ruin as a live man can be driven to. Shall we, therefore, infer that the white men of the South are unfit to be trusted with the ballot? By no means. Yet upon the facts it is a more legitimate inference than the other.

Sweep away these hypercritical objections to the ballot right, and no plausible objections remain. When mature men and women are denied the ballot they are not only denied a fundamental right, but are prevented from performing a fundamental duty—that of advising and participating in government. All adverse arguments lead logically to monarchy, and if adopted as sound in principle will lead there practically. Not a single argument that has ever been put forward against voting by the poor, by the "unintelligent," by "inferior races," by women, by any social class, but is a legitimate corollary of the argument for "divine right." Grant the premises of those who argue for a restricted suffrage, and the prerogatives of the Czar of Russia become as unassailable logically as they are legally.

This is true not alone of the right of voting among ourselves, but also of the principle of government by consent of the governed in that broader sense in which we use the words when we refer to the policy of imperial colonialism. We cannot impose our government upon alien peoples against their will, without lining up our

government alongside of the autocratic powers of the earth. It is only by assuming some fanciful divine right in derogation of their obvious natural rights that we can make them our "subjects."

Nor is it any answer to say that the alien peoples are incapable of self-government. No one is capable of self-government, in the eyes of those who wish to govern him. What is our warrant for declaring a people incapable of self-government? Any people are far better able to govern themselves than are any other people to govern them. Super-imposed government may exterminate a people; it cannot elevate them.

One of the greatest as well as most delightful of American writers, who in the guise of a humorist has given us much sound philosophy, satirizes the assumption of superior ability to govern, and then moralizes in this admirable way:*

"There is a phrase which has grown so common in the world's mouth that it has come to seem to have sense and meaning—the sense and meaning implied when it is used; that is the phrase which refers to this or that or the other nation as possibly being 'capable of self-government'; and the implied sense of it is, that there has been a nation somewhere, sometime or other, which wasn't capable of it—wasn't as able to govern itself as some self-appointed specialists were or would be to govern it. The master-minds of all nations, in all ages, have sprung in affluent multitude from the mass of the nation, and from the mass of the nation only—not from its privileged classes; and so, no matter what the nation's intellectual grade was, whether high or low, the bulk of its ability was in the long ranks of its nameless and its poor, and so

* *"A Yankee at the Court of King Arthur,"* published in 1889.

it never saw the day that it had not the material in abundance whereby to govern itself. Which is to assert an always self-proven fact: that even the best governed and most free and most enlightened monarchy is still behind the best condition attainable by its people; and that the same is true of kindred governments of lower grades, all the way down to the lowest."

Neither is it an answer to the objection to American imperial colonialism to cite American precedents in its favor. As already suggested, they prove nothing at the worst but that we have been at times indifferent to our ideals. The best use of bad precedents is to show, by those we have set aside, how far we have advanced toward our ideals.

It is not now with our country a question of indifferently allowing old national customs or laws to resist advances toward national ideals, nor even of clinging stubbornly to those antiquated customs and laws. We are proceeding with knowledge, with deliberation, with intention, to set up a new policy which is confessedly hostile; and in doing so we seek justification not in an attempt to elevate the policy to the level of the ideals, but in an attempt to pull down the ideals to the level of the policy.

Although it is true that heretofore we have permitted government by consent of only some of the governed, while asserting the broad principle of government by consent of all the governed, we are now amending the principle itself, and establishing government by consent of some of the governed as the American polity. This is also the Russian polity.

We cannot make that decision under existing circumstances without trampling upon our national ideals; and with a nation, as with an individual, it were better that

it have no ideals than that having them it should deliberately cast them aside. Let us in this crisis but choose to substitute the Russian ideal of government for the American, and we shall not be long in descending to the Russian mode. It is not only the liberties of our "subjects" that are at stake; the liberties of our citizens also hang in the balance.

But if we decide for our ideals instead of against them, if at this long-drawn-out crisis we determine to be true to the principle of self-government, we may then be grateful for the temptation which will have made it possible for us to become stronger in our love of liberty and to draw closer to our national ideals. For we may be sure that just as truly as by disregarding the liberties of others we imperil our own, we shall by recognizing theirs make ours more secure and perfect.

CHAPTER IV

PARTISANSHIP

THERE is a certain habit of mind which regards partisanship as unpatriotic. It is a very common habit, too. So common is it that most people like to be considered as non-partisan. There are so few who do not instinctively resent imputations of partisanship, that excellent arguments may generally be discredited, especially with the cultured mob, by the simple trick of cleverly denouncing as partisans those who make them. Non-partisanship is supposed to be judicial and patriotic.

Yet most of us are partisans. All people who think upon a subject at all, along with a good many who never think, take sides. There is nothing about this fact to deplore. Partisanship is by no means necessarily unpatriotic. The important consideration is not that a man is a partisan, but how he comes to be partisan.

There are two kinds of partisans. One kind take sides according to the opinions they form. This is legitimate partisanship. The other kind form opinions according to the sides they take. This kind of partisanship is reprehensible.

When a man is a Methodist merely because his mother was, or a Republican merely because his father was, he is a partisan in the reprehensible sense. He then forms his opinions according to the side he takes. The same thing is true of all religious sectarians who cling to a church, and of all political partisans who swear by a party, merely because they happen to have been born in it.

It is true also of that species of patriotism already referred to, that patriotism which expresses itself in the phrase, "My country, right or wrong." Could there be a lower plane of partisanship? To take the side of one's own country, not only in battle but in argument, not only in military service but in Congress and at the polls, regardless of whether it is right or not, merely because it happens to be one's own country, is surely partisanship of the worst possible kind.

The thoughtless man may be a partisan for his country right or wrong, and yet be a safe neighbor; but he who is not thoughtless, he who takes that ground intelligently, is a man to beware of. If in any national emergency he would be for his country right or wrong, he is not unlikely in a personal emergency to be for himself right or wrong. As one's country is only one's larger self, it should be the highest aspiration of patriotism to condemn our country wrong, at least as heartily as we praise our country right.

It is to be feared, however, that most patriotism is of the reprehensibly partisan order. How many patriotic Englishmen knew or cared whether England was right or wrong in the Boer war? How many patriotic Americans knew or cared whether the United States were right in trying to subjugate peoples in the Orient? It was enough to most of them to know that their country was fighting. Whether it was for liberty or for conquest, for defense or aggression, for plunder or power or peace, was in their view of less than secondary importance. The one fact that the country was their country gave color to their opinions on every question involved. All such partisans form their opinions according to the side they take, instead of taking sides according to the opinions

they form. They belong to the order of partisanship which cannot be too often nor too unsparingly condemned.

But not every Englishman who applauded the annexation of the Transvaal, nor every American who approved the subjugation of the Filipinos, was a partisan of that order. There were those in both countries who were with their country not merely because it was theirs, but because they believed it to be right. Their partisanship was entitled to respect because it was the legitimate offspring and not the illegitimate progenitor of their opinions. They did not form their opinions according to the side they took; they took sides according to the opinions they formed.

This is the universal test of partisanship. Whether in affairs of patriotism, of church, of party politics, or anything else worth thinking about and acting for, the man who takes his opinions from his coterie—be that coterie as small as a prayer meeting or as large as an empire—is a worthless partisan. He is worse than worthless. In political parties he generates dry rot, in churches he is the nidus for infidelity, in the nation he degrades patriotism to the cant of hypocrites and the flag to a fetish. He is a partisan, but his partisanship is not legitimate. The partisanship that gives life to all it touches, and makes for intellectual and moral growth, is that which results from opinions independently formed, courageously declared and strenuously propagated.

Of partisanship of this kind no man need be ashamed. It is not a badge of servitude. It is a test of devotion to principle. The principle may be wrong. But according to his understanding it is right. There can be no devotion without partisanship. Neutrality, which is only another name for non-partisanship, may be observed by the

indifferent. To the devoted it is impossible. In the great conflict of mental and moral forces no one can be neutral. He must take sides or get out of the fight. And if he takes sides under the inspiration of his brain cells instead of his birth marks, he can afford to smile at the wheezy complaints of innocuous non-partisans. *

* Non-partisans must not be confused with no-party men. One may be a no-party man and yet be a partisan—a partisan of a cause.

CHAPTER V

PATRIOTIC CELEBRATIONS

IT is a gratifying fact that neither of the great American holidays—Independence Day and Memorial Day—though both are connected with war, is in commemoration of the victories of war. One celebrates our national recognition of the democratic ideals toward which the face of the nation was turned from the start. The other is a day of affectionate remembrance of the nation's dead.

This is signficant of the American spirit. We have celebrated victories in the midst of wars, and at the close of wars we have glorified our triumphs; but all attempts to perpetuate that species of celebration in this country have failed. It is not in keeping with the American character as a whole to take pleasure in memories of war, nor is it consistent with the American disposition to gloat systematically over conquered enemies.

Those there are among us, to be sure, who would stimulate morbid cravings for excitement by involving the nation in unnecessary wars. They would utilize the intervals of peace partly with preparations for wars to come and partly with celebrations of victories achieved. But these are not typical Americans. Though they put themselves so much in evidence when war is upon us as to seem to be typical, yet after strutting their brief strut they pass off the stage into oblivion, and the grand commemorations of battle and victory they had planned for future generations are heard of no more. The American people are not a victory-worshiping people.

In that there is hope. It is a subject for noble national pride. The nation that celebrates battle victories is a brutal nation. Not that war is under all circumstances to be avoided. Wars are sometimes necessary conditions of national righteousness. So long as there is national injustice, so long will the possibility of righteous war persist. Injustice is worse than war, and some forms of injustice can be righted only by war. But even the most righteous war comes not as a welcome opportunity for displays of martial prowess; it comes as a solemn national duty. Its victories, therefore, no less than its defeats, are solemn events. They are not occasions for rejoicing. Nothing which involves desolation and death can be made an occasion for sane rejoicing, however beneficial to mankind the after results may be. We may gladly and with great rejoicing cherish the righteous effects; but to celebrate the carnage of victorious battle is to sink to the level of savages. Few things more repugnant to good taste and good morals could well be conceived than national celebrations of national victories in war.

It is with peculiar satisfaction, then, that Americans whose patriotism is intelligent and mature may always contemplate the approach of the two great national holidays of their country. Though Memorial Day lacks that inspiration for the future which belongs to the character of Independence Day, and though it offers temptations to excursions among the tombs of dead issues with our backs turned upon living principles, nevertheless it celebrates no carnage, glorifies no victory, perpetuates no hatreds. Alike upon the graves of victor and vanquished, of friend and of foe, affection scatters memorial flowers. The day is consecrated to peace, though

it be the peace of death, and not to the destruction and desolation of victorious war. While not the better of our two national holidays, Memorial Day is in no wise inconsistent with that genuine American spirit to which even the most righteous war is tolerable only as a terrible duty.

But Independence Day is better. It is consecrated not only to peace, but also to the ideals that make peace possible. Its inspiring appeal is to the righteous theory upon which our nation is founded; and however crudely, even barbarously, we may celebrate its annual return, we can never quite escape its sacred lesson. The gist of that lesson is, not that we once became an independent nation, but that in becoming one we laid its foundation in the immutable principle of equal human rights. The "glittering generalities" of our Declaration of Independence are the glorious ideals of our republic, which we celebrate on its natal day.

That we do not advance farther and faster in the direction of those ideals, is what sometimes disheartens the democratic optimist who believes in their truth and has faith in their ultimate triumph.

CONCLUSION

Before the monstrous wrong he sits him down—
One man against a stone-walled citadel of sin.
For centuries those walls have been a-building;
Smooth porphyry, they slope and coldly glass
The flying storm and wheeling sun. No chink,
No crevice, lets the thinnest arrow in.
He fights alone, and from the cloudy ramparts
A thousand evil faces gibe and jeer him.
Let him lie down and die; what is the right,
And where is justice in a world like this?
But by and by earth shakes herself, impatient,
And down, in one great roar of ruin, crash
Watch-tower and citadel and battlements.
When the red dust has cleared, the lonely soldier
Stands with strange thoughts beneath the friendly stars.

—*"The Reformer,"* by E. R. Sill.

CONCLUSION

THE GREAT ORDER OF THINGS

WE live in a time when Deborah's allegorical allusion to the rout of Sisera is big with meaning. Even as "the stars in their courses fought against Sisera," so do the eternal forces of moral righteousness, circling majestically on in their appointed orbits, fight against the sordid utilitarianism that holds the moral sense of our generation in captivity. The victory of right over seeming might is thus assured. At all times when "the stars in their courses fight against Sisera," his chariots however numerous and his hosts however mighty, are predestined to utter destruction.

There is a great order of things. As to this all doubt has vanished with reference to the material universe. Fighting with "the stars in their courses," the physical sciences have upon their distinctive plane of human experience routed the Siserian hosts. The powers that came of a bigoted rejection of rational truth promoted by a priestly utilitarianism in the disguise of religious faith, those old forces generated by a union of superstitious credulity and irrational incredulity, have here yielded to an enlightened recognition of the dominance of natural law.

We know now that the material universe, from largest to least, is a universe of law—invariable law. Except in obedience thereto, no man—whether greatest of inventors or humblest of mechanics—would any longer think of pursuing his vocation. He perceives that disobedience

would but waste his labor and cripple his powers. He realizes that it is as he conforms and only as he conforms to natural laws, that his undertakings in the utilization of matter can succeed. He knows that unless he harmonizes his efforts with "the stars in their courses," all he attempts, promising though it may seem at first to be, must utterly fail. In the sphere of material things, disobedience to natural law is fully seen to be as a process self-destructive and as a result impossible.

The law of gravitation, for instance, always holds sway. It can be neither frustrated nor disturbed. Whether we work with it and build ourselves a house, or defy it and dash our bodies to pulp at the foot of a precipice, it is the same law working irresistibly in the same way. It serves the just and the unjust, the righteous and the unrighteous, those who seek its aid for construction and those who seek it for destruction. All these it serves alike, according to their several purposes. If they would build for themselves, they have but to go rightly about it and the law of gravitation helps them. If they would destroy themselves, it permits them to do so. But its constant lesson is the invariableness of its processes, the wasteful futility of opposition, the splendid possibilities of conformity. "The stars in their courses" fight against every Sisera who defies this or any other law of the material universe.

So is it, also, in the moral universe. There, too, the great order of things holds resistless sway. Its laws, analogous to the courses of planets and suns, no human power can overcome nor any antagonism disturb. More than that. Not only is the moral universe, equally with the material, a universe of invariable law, but its laws are sovereign over those of matter. This must be so,

for matter is merely a medium for the expression of moral purpose. Except as it is subservient to that end, its existence is inexplicable upon the hypothesis of universal design.

As certainly as physical law dominates matter does moral law dominate the physical. Though conformity to the laws of matter alone will enable us, for illustration, to forge a knife of keenest blade, the uses of the knife—without which it has no reason for existing and would not be made—fall within the jurisdiction of moral law. We may use it to carve things that minister to human needs or the human sense of beauty, thus serving our brethren and moulding our own characters more and more in the divine likeness, while conquering the stubbornness of external nature; or we may make it an implement for torture and murder. In the one case we advance in moral righteousness by conformity to the moral law. "The stars in their courses" fight with us. In the other case, we defy the moral law. But we cannot overcome it, for "the stars in their courses" fight against us. Though the torture be inflicted and the murder done, the unrighteous purpose they were intended to serve will in the outcome inevitably fail. The stars in their immutable courses fight always and everywhere against Sisera.

Unrighteous we may be in thought and deed, but we can no more establish anywhere in the universe the sovereign sway of moral unrighteousness, of moral lawlessness, of moral disorder, than we could establish a sway of material lawlessness upon the plane of physics. The enemies of Sisera, though captive for a time, cannot fail if their cause is allied to "the stars in their courses." Be their cause what it may, whether material or moral, that of an inventor like the unknown discoverer of fire or

the forgotten maker of the first wheelbarrow, of a persecuted and disheartened explorer like Columbus, of patriots on the scaffold or of saints upon the rack, of the philosopher with his deadly potion of hemlock or the Nazarene carpenter upon the cross—whatever the cause, it always has conquered and always must conquer, in so far as it is in harmony with the great order of things.

That this universal truth escapes general recognition, is evident from the manifest tendency to subordinate what is morally right to what seems to be practically more expedient, to displace loyalty to moral principles with slavery to material utilities—in a comprehensive phrase, to elevate utilitarianism above idealism.

That this is the marked tendency of the time, no one who observes can doubt. It may be seen not alone in the counting-house, where utilitarianism has a proper and useful abode, but in places where moral ideals should rule. Great statesmen care much for commercial advantages and little or nothing for moral checks and balances. School teachers inculcate love of commercial success at the expense of moral aspiration. From the chairs of political economy in our colleges, the subject of correlative rights and duties in the body politic is marked "taboo," while professor and text writer go far afield in search of plausible excuses and confusing arguments in behalf of privileged classes. Even the pulpit has come in many instances to justify Swinburne's bitter rebuke when he wrote of "a Christian church that spits on Christ."

As for "the man in the street," he makes little pretense of being anything but a sordid utilitarian. He may tell you of the wisdom of honesty, but not of its righteousness. He extols honesty merely because it is wise, merely be-

cause it is expedient, merely because it is the best policy, merely because it pays. How is it possible to avoid the feeling that notwithstanding all his preachments about the common kind of honesty that pays, his conduct regarding the finer kinds that do not seem to pay might but rarely bear inspection?

In every class of society, from top to bottom, and apparently with almost every person in each class, the old appeal to rights and duties seems to have lost its potency. We are accounted dreamers and fools if we urge the righteousness of any cause as a reason for adopting it. The uppermost question everywhere is whether the cause will pay. If it apparently will, then if it is also morally right so much the better; but if it apparently will not, then the fact that it is morally right cuts no figure. This accounts for the popularity of statistics. So insanely sordid have we become that in dealing with statistics we not only always ignore the moral factor but frequently the mathematical one also. Statistics that show "pay dirt" are pretty apt to "go," no matter how repugnant they may be both to common sense and the plain principles of morality.

As a rule, however, the utilitarianism of the day fully recognizes the dominance of natural law in the material universe in which it seeks to make mankind captive. It realizes the necessity of conforming to the great order of things in its physical aspects. What it ignores, is the predominance of moral law. "Ignores" is hardly the word. Its attitude toward the moral law is one of defiance.

But this is only a passing phase. It is the swing of the pendulum back from the crude perceptions of moral righteousness in the social world which prevailed during

the latter part of the eighteenth century and the first half of the nineteenth—a swing which, though backward in one sense is forward in another, for it touches a higher conception of utilitarianism than that which preceded the idealism it has displaced. The return swing is sure to come. Then society will have a better appreciation of correlative rights and duties, a clearer perception of the moral law, and a wider and truer vision of its relationships than have ever come to any but the seers who have gone up into the mountain tops with God.

If utilitarianism has any sway it is not because it is sordid but because with all its sordidness it represents what to idealism is as body to soul. Idealism can express itself in this material world only through utilitarianism. If at one time the ideal seems predominant and at another the material, it is because our conceptions of both are advancing through action and reaction.

That which we have likened to a swinging pendulum is as the ebb and flow of battle. Now one side seems to have the victory and now the other. But in this battle, whatever is true and good in both sides will conquer. For there is good and truth in both utilitarianism and idealism, and for the good and truth in each "the stars in their courses" fight against Sisera. Whatever is imperfect, inadequate, narrow, indefinite, and one-sided in our perceptions of the ideal, is improved, expanded, broadened, defined and rounded out with every succeeding reaction from utilitarian epochs; while whatever is sordid in our utilitarian practice and precept is in turn sloughed off by better and better ideals.

In this great struggle which leads on toward general recognition of the dominion of the highest ideals of morality over the truest utilities of physical existence,

toward the same recognition by man of the moral law that he has already given to physical law, toward the adaptation of material righteousness to moral righteousness, toward the natural adjustment of human relationships both individual and social—in this battle for freedom from defective ideals and a sordid utilitarianism, many there be that fight with Sisera. But they cannot alter the predominant law. "The stars in their courses" fight against them. They are doomed to defeat by those who, few in number though they be, attach themselves to the causes that harmonize with the great order of things.

Truth hath a snowy wing will mount to heaven—
A crystal eye she hath to fathom hell.
Man cannot stay her, and her sacred leaven
Shall work until all things on earth be well.
Then in the radiance from the eyes of Truth
The world will shine; things will no longer seem,
But naked stand in neither spite nor ruth,
And straightened be the tangle of our dream.

—C. E. S. Wood, in the *"Boston Pilot"* of April 15, 1902.

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